Vol. 4, No. 1
January/February 1995
$9.00

Intellectual Ammunition

On State and Local Issues

Potshots

He who laughs at himself never runs out of things to laugh at.

Some people use statistics as a drunken man uses lampposts–for support rather than illumination.

Andrew Lang

How many bureaucrats does it take to change a light bulb? Two: One to assure us that everything possible is being done while the other screws the bulb into a water faucet.

Voice for Health

Innovation, invention, change, all depend on the freedom of the individual to stand on his own feet. ***George Winder***

I have come to the conclusion that one useless man is called a disgrace, two men are called a law firm, and three or more become a Congress. ***John Adams***

An adult is a person who has stopped growing at both ends and started growing in the middle.

Noise proves nothing. Often a hen who has merely laid an egg cackles as if she had laid an asteroid. ***Mark Twain***

If all the college boys who slept in class were placed end to end, they would be much more comfortable.

Health Care Reform in the Hands of State Legislators

by John McClaughry

The final few months of 1994 witnessed several events that shed new light on the country's ongoing debate over health care reform. President Clinton's reform proposal died of its own weight in Congress; California's Proposition 186 was defeated overwhelmingly at the polls. Nine states have new Republican majorities in their state Senate and House; a total of thirty states now have Republican governors. State legislators across the country are demanding limits on the power of the federal government.

These events and others make the health care reform environment far more friendly to consumer-oriented proposals at the state level.

State legislators have available to them a reform proposal that can lower the cost of health care without turning the health care industry into a combination of the Pentagon, the IRS, and the welfare department.

Putting Consumers in Control

When it comes to medical care, patients today are not consumers. They pay for very little: just 5 percent of their own hospital bills, and perhaps 20 percent of their doctors' bills. Insurance companies or government programs pay the rest. As a result, patients do not make wise, economical choices about their health care. If someone else is paying the bill, why choose a Yugo instead of a Cadillac?

Real health care reform starts with turning patients into consumers, putting them back in charge of their own health care. This requires reducing patients' reliance on insurance coverage, except for major medical costs that require strong insurance protection. The proper role for insurance is to protect people against large and unexpected costs (like auto crashes or home fires), not to pay for ordinary maintenance (like brakes and tires or a new roof). We recognize this in other forms of insurance—auto and fire insurance, for example—and we need to return to this form of insurance for health care as well.

Medical Savings Accounts

The mechanism for turning patients into consumers is the Medical Savings Account (or Medisave Account, as it is sometimes known).

Like Individual Retirement Accounts (IRAs), MSAs would allow individuals (or their employers) to set aside funds in a tax-free bank account. From this account they would pay cash for routine medical care, including preventive care. To protect themselves against catastrophic medical losses, individuals (or their employers) also would purchase major medical insurance coverage with a high de-

In This Issue

Uncovered	4	Privatization	10
Education	5	Taxes	11
Environment	6	Welfare	12
Health Care	7	New Research	13
Law	8	Contacts	22

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Enjoy the Benefits

of Membership in a Think Tank.

✎ Monthly *Heartlander* describing the impact of Heartland's efforts on behalf of free markets, individual liberties, and less government.

✎ *Quarterly Performance Reports* bringing you "inside" the Heartland organization–our mission, our strategy, our long-term plans and how *you* can be a part of them.

✎ Free books, *Heartland Policy Studies,* and *Heartland Perspectives.*

✎ Special invitations to events in the Midwest and across the country, including focus-group meetings and Members-only receptions.

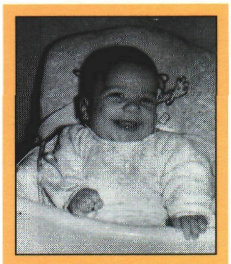
✎ *Eco-Sanity: A Common-Sense Guide to Environmentalism,* a $12.95 value, yours *free* for becoming a member of The Heartland Institute.

✎ Annual Membership just $29!

✎ Send your check or money order to The Heartland Institute at the address below. Or have your Visa, Mastercard, or American Express card handy and call 708/202-3060.

Join Now and Receive a Free Copy of Eco-Sanity!

The Heartland Institute
Attn: Member Services
800 E. Northwest Highway
Suite 1080
Palatine, Illinois 60067
708/202-3060



Joseph L. Bast
1958

News from the Heartland

by Joseph Bast
Publisher

1995: A Year for Innovation

The November 1994 elections promise to make 1995 the most exciting year in half a century for people in state government. While the media have focused mostly on the new Republican majority in Washington, the changes in state capitals across America were easily as dramatic: Republicans gained 358 seats in state houses and 106 in state senates. For the first time in a quarter-century, Republicans captured a majority of governorships.

Many legislative ideas that languished in committees for years will see legislative action in 1995. These include tort law reform, educational choice (vouchers), tax and spending limits, term limits, and welfare reform. The "laboratories of democracy" that have been relatively quiet of late are vibrating again with debate and innovation.

I'm proud to report that past issues of *IA* carried scores of essays and hundreds of publication reviews on the topics that are now the focus of national attention. More than any other magazine for state legislators, we anticipated the shift in public mood and political momentum. We're pleased to add to that record by sending you this new issue chock-full of cutting-edge essays and reviews.

IA's New Look

This issue of *Intellectual Ammunition* has a new layout and design thanks to art director Matthew Nutting. Though the magazine looks different, it still contains the same columns and features you've come to expect. We hope you like the new format, and we welcome your comments.

Use PolicyFax for Free

PolicyFax, the fax-on-demand information service offered by The Heartland Institute, is now free for state legislators, their staffs, and reporters. Nearly six hundred documents on nearly every "hot" topic in state public policy are ready to be sent instantly to your fax machine! The service is available 24 hours a day, seven days a week. To use the service, just call 510/208-8000 and follow the recorded instructions. And watch your mail for the first *PolicyFax* catalog! (See the ad on page 19 for more information about *PolicyFax.*)

Intellectual Ammunition (ISSN 1077-8861) is published bimonthly by The Heartland Institute, a nonprofit, nonpartisan research and education organization. Annual subscription $49.00; single issue $9.00. Application to mail at second-class postage rates is pending at Palatine, IL and additional mailing offices. POSTMASTER: Send address changes to The Heartland Institute, 800 East Northwest Highway, Suite 1080, Palatine, IL 60067-6516; telephone 708/202-3060, fax 708/202-9799.

Publisher: Joseph L. Bast ❖ **Editor:** Diane Carol Bast

Contributing Editors: *Education* Joseph Walsh, Center for Rebuilding America's Schools; *Environment* Jonathan Adler, Competitive Enterprise Institute; *Health Care* Michael D. Tanner, Cato Institute; *Law* John E. Kramer, Institute for Justice; *Organizations* Robert V. Pambianco, Capital Research Center; *Privatization* John O'Leary, Reason Foundation; *Taxes* Stephen Gold, Tax Foundation; *Welfare* Robert Rector, The Heritage Foundation.

Business Advisor: John G.B. Howland, Venture Catalysts, Inc.
Art Director: Matthew J. Nutting

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

continued from page 1

ductible—say $2,000 per family.

The annual premium for a health insurance policy with a $2,000 deductible is dramatically lower than the premium for the same policy with a $250 deductible. The savings average close to $2,000—a healthy initial deposit into a Medical Savings Account!

MSAs will not only reduce premium costs and turn patients into health care consumers; they'll cut administrative costs in the insurance industry as well. Ninety percent of families do not use $2,000 worth of medical care in any given year. If they have a low-deductible health insurance policy, however, they submit small claims month after month, all of which have to be adjudicated at considerable cost. Handling these little claims costs the insurance company money—as much as $50 for a $50 claim, by some estimates. Eliminate 90 percent of the small claims, and insurance administration costs will sink like a stone.

> *"MSAs will not only reduce premium costs and turn patients into health care consumers: They'll cut administrative costs in the insurance industry as well."*

MSAs at the State Level

Even today, federal law permits individuals to create their own Medical Savings Accounts—but there are some important catches. Individuals can establish MSAs only through their employers, who must offer a "cafeteria-style" benefit plan. Most employers do not. If an employer does establish an MSA for an employee, any balance remaining in the account at the end of the year goes back to the employer, not to the employee. This "use it or lose it" policy pretty much eliminates the financial incentive an employee would have had to become a wise health care consumer. Finally, if you're self-employed or unemployed, you're completely out of luck: No mechanism currently in place allows you to establish an MSA.

Hundreds of bills have been introduced in Congress, by members of both parties, to correct these problems and make MSAs fully available to everyone. But the states need not wait for Congress to act. Indeed, seven states—Arizona, Colorado, Idaho, Illinois, Michigan, Mississippi, and Missouri—already have acted on MSA legislation, and bills have been or soon will be introduced in at least 18 others.

Medical Savings Account legislation adopted at the state level allows a state's citizens to create MSAs under the federal rules described above. But the state law also can permit unused balances to remain in the account and roll over into the next year. The state legislation can permit the self-employed, or those whose employers do not offer health benefits, to create MSAs. Contributions to these accounts are exempt from only state income taxes, however, until Congress changes the federal tax law that currently exempts from taxes only employer-provided insurance benefits.

Because the self-employed and those without employer-paid benefits may be financially unable to put funds into their own MSAs, states may wish to provide for income tax credits on a sliding scale. Such a provision would reduce state tax revenues—but it also would decrease the costs now shifted onto insured patients by the uninsured.

States also can establish MSAs for their Medicaid populations, simply by purchasing a high-deductible major medical policy for Medicaid recipients and depositing funds into their MSAs. If a Medicaid recipient had a balance at year-end, some of the balance would go back to the taxpayers, and the rest could be used to pay for daycare, education, training, or tools to help the person become self-sufficient.

> *"MSAs are based on individual self-rationing, not government rationing."*

Benefits of the MSA Reform

Medical Savings Accounts—based on individual responsibility, consumer choice, and market-regulated costs—offer an economically sensible alternative to the bureaucratic control schemes proposed by people who yearn to have the government manage every aspect of our health care industry. Medical Savings Accounts would:

- restore the proper role of health insurance in covering the cost of relatively rare medical events, instead of paying for routine and expected medical care.
- lower the administrative costs of health care by eliminating the cost of processing many small insurance claims.
- lower the costs of health care, by giving consumers a real incentive to stay healthy and, when they require care, to purchase that care wisely.
- strengthen the doctor-patient relationship by eliminating most third-party payments.
- increase cost competition in the medical marketplace and preserve the independent insurance broker.
- allow consumers an effective way to save money during their relatively healthy years, building a nest egg to cover their increasing health care costs as they grow older.
- eliminate the need for a costly and intrusive state bureaucracy to ration care, control prices, issue mandates, and impose regulations.

No plan can solve every health care problem. Medical Savings Accounts, however, do provide an economically sound solution to what most ails the country's health care system. MSAs are based on individual self-rationing, not government rationing. MSAs cost state government very little, in the form of reduced tax revenues, and even this cost would be offset if the state were to establish MSAs for its Medicaid population. MSAs encourage patients to become informed consumers and practice healthy lifestyles.

Medical Savings Accounts are a sound answer to many of a state's health care financing problems. Action by Congress, expected in 1995, can make MSAs even more valuable, but state legislators can get started on reform now.

♣ ♠ ♦ ♥

Former Vermont State Senator John McClaughry is president of the Ethan Allen Institute, RR1, Concord VT 05824. For copies of the Institute's brochure, "Vermont Medisave: The Real Health Care Reform," and a legislative analysis of the innovative 1995 Vermont MSA bill, contact the Institute.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Routing Request

Uncovered

Robert V. Pambianco

Robert V. Pambianco is editor of *Organization Trends*, a publication of the Capital Research Center, 727 15th St. NW, Eighth Floor, Washington, DC 20005-1599; 202/393-2600 fax 202/393-2626.

CAPITAL RESEARCH CENTER

Center for Science in the Public Interest (a.k.a. The Burrito Bandits)

On June 18, the evening news announced the startling findings of a new report: Too much Mexican food is unhealthy for you. The report found that almost all the popular platters served at Mexican restaurants exceed the federal government's recommended daily limit of fat, saturated fat, and sodium. Reported the *Washington Post*, "It's beef chimichangas and die." The report was released by the Center for Science in the Public Interest (CSPI). According to the Post, "At a jammed news conference, Michael Jacobson, executive director of CSPI and maestro of the 30-second fat bite, said that while Mexican food is not seen as a health food, the numbers will shock anyone."

> *"CSPI previously reported on the dangers of eating in Chinese and Italian restaurants, and it recently exposed the risk of eating movie theater popcorn."*

There are few things that CSPI finds healthy. The group previously reported on the dangers of eating in Chinese and Italian restaurants, and it recently exposed the risk of eating movie theater popcorn. Loews, United Artists, AMC, and Cineplex Odeon theater chains quickly introduced low-fat alternatives to popcorn popped in coconut oil.

According to Jacobson: "If we had our way, everyone would be dining on whole grains, beans, vegetables, and fruit, along with low-fat dairy foods and maybe a little lean meat or poultry. All of the food would be fresh and unprocessed, and grown organically on local farms. It would be bursting with fiber, vitamins, and minerals and would be low in fat, cholesterol, sodium, refined sugar, and questionable additives." The Los Angeles Times notes that Jacobson once sent 170 extracted, rotten teeth to the Federal Trade Commission to protest sugary food ads directed at children.

> *"According to Jacobson: If we had our way, everyone would be dining on whole grains, beans, vegetables, and fruit . . ."*

Many commentators and editorial writers have ridiculed CSPI reports. But by questioning whether the group's tactics are counterproductive, many CSPI critics reveal their own defensiveness about the politics of food. Americans may not yet be ready for a government-mandated national diet. (Would Bill Clinton demand universal coverage?) But things may be further along than we think when groups like CSPI risk embarrassment to raise consciousness and succeed in forcing changes in corporate practices and many public policies.

CSPI is not a silly organization. Savvy about the ways of the mass media, it is a close cousin of Public Voice for Food and Health Policy. Worse, CSPI is connected to Ralph Nader's network of anti-business organizations. CSPI founders Michael Jacobson, Albert Fritsch, and James Sullivan have worked at a principal Nader operation, the Center for the Study of Responsive Law. And leftist grant-giving foundations make sure that CSPI is well-funded. The Mary Reynolds Babcock, Public Welfare, and Tides foundations, the Rockefeller Family Fund, Philip M. Stern Family Fund, C.S. Fund, and Ruth Mott Fund are among its supporters.

Elizabeth Whelan, president of the American Council on Science & Health, accuses the group of waging food terrorism. Says Whelan, "the CSPI diet advice is light on science and common sense. The key to healthy eating is a balanced, varied, moderate diet and there is room enough in such a diet for fettuccini and popcorn."

The real goals of CSPI's backers are more apparent in a spin-off organization that Jacobson, its executive director, co-founded in 1991: the Center for the Study of Commercialism. The anti-advertising group's board of advisors includes long-time Nader colleague Joan Claybrook of Public Citizen and Gar Alperovitz, a former resident fellow at the left-wing Institute for Policy Studies. CSC's mission is to research and oppose the infusion of commercialism into practically every corner of American life. In an op-ed piece, Jacobson and co-founder Ronald Collins advocated communal and egalitarian values and proposed that certain areas of life be declared commercial-free.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Routing Request

Education

Joseph Walsh

CENTER FOR REBUILDING AMERICA'S SCHOOLS

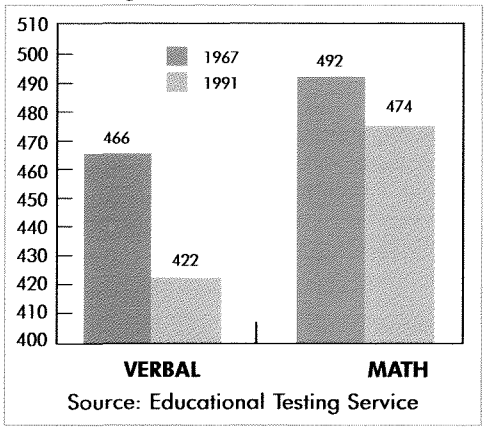
Joseph Walsh is executive director of the Center for Rebuilding America's Schools, 800 E. Northwest Highway =1060, Palatine, IL 60067; 708/202-9860, fax 708/202-9799.

Here Come the States!

The results from November are in, and in state after state the outlook for dramatic school reform is much improved. A political power shift at the state level—in governors' mansions, state legislatures, and the offices of school superintendents—combined with the overall "anti-Washington/pro-state" mood, portend the development of innovative educational choice legislation in 1995.

The Center for Education Reform reports that turnover in state legislatures makes it quite possible that school choice will pass next year in Connecticut, Pennsylvania, and Texas. More sympathetic to educational choice initiatives, Republicans won nearly five thousand legislative seats around the country, while losing only 11. Arizona and New Jersey are two other solid candidates for educational choice legislation.

Average SAT scores, 1967 and 1991



Source: Educational Testing Service

Those states, along with California, Ohio, and South Carolina, and perhaps even Florida, are expected to vote on school reform measures ranging from charter schools to comprehensive educational choice. New Jersey Governor Christine Todd Whitman and Jersey City Mayor Bret Schundler have put educational choice at the top of their legislative to-do lists.

As important, Georgia, Florida, and Arizona all have elected school superintendents who favor comprehensive educational choice. Linda Shrenko, a former Georgia public school teacher, has put the education establishment on notice that she intends to resurrect a 1961 law that authorizes vouchers for children in private schools. A group of minority parents is suing the state to enforce the law, which Georgia officials say is no longer valid.

Such Little Bang for the Buck!

John B. Crihfield, an economist for the Institute of Government and Public Affairs at the University of Illinois at Champaign-Urbana, makes a compelling case for structural reform in an article published in the *Chicago Tribune*.

"The truly remarkable findings from years of academic research are that easily identifiable policies have no effect on academic performances. After controlling for family background and related characteristics, expenditures per pupil bear no clear relationship to student performance. Similarly, there is no correlation between teacher/pupil ratios, teacher salary, and teacher education with student performance.

"Why do we get such little bang for the educational dollar in Illinois? One possible reason, which is gaining political recognition nationwide, is that public schools are inflexible and inefficient.

"Each school district is a local monopoly. If a parent doesn't like the school's services, he or she has two usually impractical alternatives: move to another district or pony up an additional $4,000 or more a year in tuition (on top of taxes) for a private school.

"Poorly managed schools in Illinois do not go out of business. They go to taxpayers for a bailout."

These findings have led Crihfield to recommend three reforms: (1) defining clear criteria for what constitutes an "adequate" education; (2) establishing a statewide education fund; and (3) implementing vouchers—allowing parents, not local school boards or districts, to decide which public or private school their children will attend.

Crihfield's plan, more detailed than what's presented here, would save money and improve school performance.

Puerto Rico Decision

Recently, the Puerto Rico Supreme Court, by a 5-2 vote, struck down the commonwealth's private school voucher program. Though disappointing, the ruling is unlikely to have much impact in the United States. The decision was based on debates from the Puerto Rican constitutional convention, which dealt with issues of direct and indirect support for private school students. Article II, §5 of the Puerto Rico constitution states: "No public property or public funds shall be used for the support of schools or educational institutions other than those of the state."

State constitutions with similar language have been interpreted in several ways. Despite the ruling, support for the program in Puerto Rico remains high.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Routing Request

Environment

Jonathan Adler

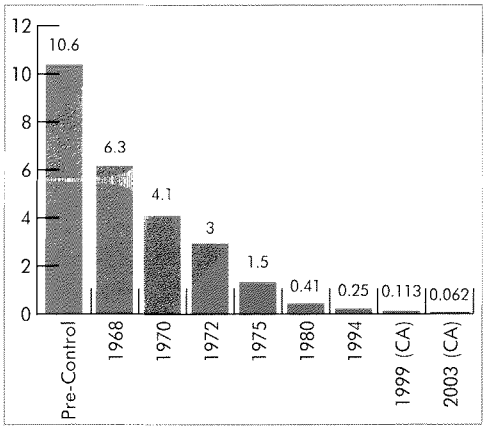
CEI

Jonathan Adler is director of environmental studies at the Competitive Enterprise Institute, 1001 Connecticut Avenue NW #1250, Washington, DC 20036; 202/331-1010, fax 202/331-0640.

Dealing with Driving, Disposal, and Dioxin

State governments are still struggling to meet the requirements of the Clean Air Act Amendments of 1990. Under that law, states are required to submit State Implementation Plans (SIPs) that outline how metropolitan areas will meet national air quality standards for carbon monoxide, ozone (a.k.a. smog), and other contaminants. Air quality is improving throughout most of the country. Nonetheless, the federal requirements keep coming, and states are being forced to implement costly air pollution programs.

One proposal, heavily promoted in the northeastern states, is to require the sale of vehicles with advanced emission control equipment, known as low-emission vehicles, or LEVs, and electric cars. New cars are already over 90 percent cleaner than those produced just 25 years ago. There is not much to be gained by reducing new car emissions even further. Such proposals, developed in California, would increase the cost of new cars by as much as $1,000. Mandating the sale of electric cars would cost significantly more. An LEV requirement in the northeast alone could cost as much as $3 billion per year, but would purchase little in terms of air quality improvement.



Federal New Car Emission Standards

The reality is that broad drift net strategies, such as low-emission vehicle standards, are not a cost-effective or equitable means of reducing air pollution, even if further emission reductions are necessary. Fewer than 10 percent of the cars on the road are responsible for approximately half of the automotive emissions; thus for every ten cars on the road, one emits as much as the remaining nine combined. Identifying and targeting these gross polluters will be more efficient and equitable than other strategies.

Flow Control Follies

Flow control is the practice whereby a local government requires all waste within its jurisdiction to be processed at a designated facility. In May of this year, the Supreme Court ruled that flow control laws are unconstitutional impositions on interstate commerce. Now, at the urging of some local governments, Congress is considering overruling the Supreme Court.

Reauthorizing the use of flow control would be a step backward in the management of municipal solid waste. Flow control laws unnecessarily limit competition within the waste management industry, increase costs for local consumers, and discourage environmental innovation. For those reasons, flow control is opposed by free-market groups and many environmentalists alike. Groups opposing flow control include New York PIRG, Clean Water Action, Citizens for a Sound Economy, the National Taxpayers Union, and many others.

How Dangerous is Dioxin?

The scares of a dioxin-induced cancer epidemic have returned with the publication of the U.S. Environmental Protection Agency's draft reassessment of dioxin. Currently under review, the EPA analysis suggests that dioxin is not only a probable human carcinogen, but also may be responsible for other health impacts, including reproductive and immune-system effects.

The release of the draft EPA study has resulted in a renewed call for additional regulation of dioxin emissions and the chemical processes through which dioxin is produced. Yet nothing in the EPA draft can rightly be used to justify additional regulations. The reality is that after nearly a decade of research, the EPA still has failed to produce any evidence linking low-level dioxin exposure to negative human health effects. As the EPA study acknowledges, "There is currently no clear indication of a disease burden in the general population attributable to dioxin-like compounds."

> *"Environmentalist cries to the contrary, there is no evidence that current dioxin exposure is harming human health."*

Environmentalist cries to the contrary, there is no evidence that current dioxin exposure is harming human health. Further regulation of dioxin and other chlorine-based compounds, however, could limit technological development, restrict the availability of valuable chemicals and pharmaceuticals, and have a generally deleterious impact on the economy. This could really harm human health, and it is certainly not advisable.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Routing Request

Health Care

Michael D. Tanner

CATO INSTITUTE

Michael D. Tanner is director of health and welfare studies at the Cato Institute, 1000 Massachusetts Avenue NW, Washington, DC 20001; 202/842-0200, fax 202/842-3490.

Three Principles for Market-Based Health Care Reform

The American voters spoke clearly on health care in the 1994 elections. Polls and pundits agree that President Clinton's Rube Goldburg scheme for a government takeover of the American health care system was a prime ingredient in the massive Republican electoral victory. At the same time, politicians who were most identified with a big-government solution to our health care problems—among them Senator Harris Wofford and Representative Jim Cooper—were soundly defeated. And, by a three-to-one margin, California voters rejected an initiative to establish a Canadian-style single-payer system in their state.

> *"[P]oliticians who were most identified with a big-government solution to our health care problems . . . were soundly defeated."*

However, significant problems remain in the American health care system that must be addressed. Most importantly, health care continues to cost too much. In 1993, Americans spent $884.2 billion on health care, amounting to 13.9 percent of gross domestic product. That represents a 7.8 percent increase in health care spending over 1992. Although recent trends indicate that the increase in health care costs may be moderating, the relative price of medical care and real health care expenditures per capita both are increasing at a rate higher than the average increase over the last thirty years.

At the same time, 39 million Americans lack health insurance. Millions more worry that if they lose their jobs, they will lose their insurance. While most uninsured Americans will be without insurance for only a short time, a way must be found to enable more Americans to obtain and keep health insurance coverage.

> *"In particular, legislators should reject proposals for community rating that attempt to force the young and healthy to subsidize the old and sick through higher insurance premiums."*

Thus, 1995 will provide an opportunity for legislators at both the state and federal level to reform health care based on the strengths of the free market. Legislators can start in the right direction by adopting three simple principles, summarized below.

Health Care Financing

Government policy should not attempt to influence the means through which health care is financed. In other words, government policy should be neutral with respect to whether any specific method of treatment is financed by employer-provided insurance, individual insurance, or direct patient payment. Among other things, that means there should be no monopoly purchasing cooperatives, no government-defined standard benefits package, and no state mandates on insurance coverage. In addition, the current preference in the tax code for employer-provided coverage should be either eliminated or broadened to equalize treatment for individual policies, out-of-pocket payment for care, and payments made through a medical savings account.

Health Care Providers

Government policy should not attempt to influence the means through which health care is provided. In other words, government policy should not pick winners and losers among types of providers, either through subsidies, mandates, or restrictions. That includes any bias for or against home care, physician care, or alternative therapies. States should repeal restrictive licensing and Certificate-of-Need regulations. Moreover, the government should not attempt to choose between HMOs, PPOs, and fee-for-service medicine. Specifically, legislators should resist the temptation to impose "any willing provider" requirements on managed care.

Subsidies

Any government subsidies for either health insurance or health care should be on budget, transparent, and subject to periodic review. In particular, legislators should reject proposals for community rating that attempt to force the young and healthy to subsidize the old and sick through higher insurance premiums.

Following these simple principles, legislators can develop free-market health care reforms that will reduce costs, expand access, and preserve the quality of American health care.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Routing Request

Law

Clint Bolick

Clint Bolick is litigation director at the Institute for Justice, 1001 Pennsylvania Avenue NW #22 South, Washington, DC 20004-2505; 202/457-4240, fax 202/457-8574.

Institute for Justice

Civil Rights at the Crossroads

Thirty years after the Voting Rights Act and four decades following *Brown v. Board of Education*, 1995 seems a fortuitous time for our nation to chart a course for civil rights in America's third century.

The current debate is polarized and not especially productive. Liberal Democrats consistently have pursued redistributionist, in-your-face civil rights policies that divide Americans on the basis of race.

Republicans have been worse: They haven't had a forward-looking civil rights agenda for more than forty years. Too often they have embraced merely warmed-over versions of liberal policies rested solely on opposition to racial quotas.

George Bush fumbled away a winning issue when he capitulated on the Civil Rights Act of 1991, which previously he had denounced as a quota bill. This allowed President Clinton to preach moderation and healing on race issues, and thereby to reclaim disaffected whites who had strayed from the Democratic fold.

But after high-profile denunciations of Sister Souljah, "bean-counters," and "quota games," "new Democrat" Clinton turned left. Exemplified by his nominations of Lani Guinier and Duval Patrick, he has appointed ideological activists to every major civil rights position in the federal government. Moreover, he has given them virtually free rein, which they have seized with a vengeance.

Through hiring by quota in the executive branch, defending racially gerrymandered voting districts in the courts, applying pressure on firms innocent of discrimination to sign "voluntary" quota agreements, endorsement of race-based scholarships, and creation of sweeping minority set-asides, Clinton has returned to the old ways.

These programs provoke bitter backlash, but do little to aid society's most disadvantaged. Whichever party moves first to embrace a unifying civil rights agenda will reap enormous rewards.

> *"The current debate is polarized and not very productive. Liberal Democrats consistently have pursued redistributionist, in-your-face civil rights policies that divide Americans on the basis of race."*

The first step is to curb government race preferences once and for all. A strong national consensus supports such action. The Institute for Justice is working closely with scholars and policy allies to fashion such legislation at the federal level. If Congress passes the bill, Clinton surely will veto it, creating an election issue for 1996.

Similar efforts at the state level will reverberate nationally. The California Civil Rights Initiative, slated for the 1996 primary ballot, would curb race or gender preferences in public employment, contracting, and education.

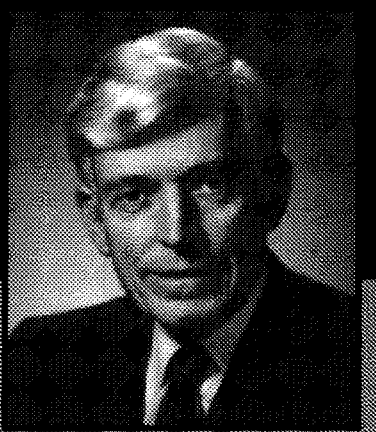
> *"Republicans have been worse: They haven't had a forward-looking civil rights agenda for more than forty years. Too often they have embraced merely warmed-over versions of liberal policies rested solely on opposition to racial quotas."*

Equally important are concerted efforts to help people outside the mainstream gain control over their destinies. Such goals as school choice, entrepreneurial freedom, tenant ownership of public housing, safe streets, and welfare reform mark the frontiers of civil rights in the '90s and beyond.

Our nation's moral claim is staked in its doctrinal commitment to civil rights: those basic freedoms we share equally as Americans. Let's dedicate ourselves to fulfilling that great promise.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MEDICAL SAVINGS ACCOUNTS
-- an idea that works.



Pat Rooney
Chairman of the Board

"I've been advocating Medical Savings Accounts nationally -- a non-government way to save on group health insurance."

Company costs decreased.

We offered our employees a choice in May 1993:
a) Medical Savings Accounts or b) Traditional insurance.

80.5% chose Medical Savings Accounts.

In only 8 months, employees saved an average of $602.
They kept the money. Happy employees. Preventive care paid.

Those with traditional insurance got nothing back.

For 1994, insurance costs went down -- and more employees chose Medical Savings Accounts.

First dollar benefits -- no upfront deductibles. Pick your own doctor.

FREE MSA Booklet — Call 1-800-444-8990

Golden Rule®

Golden Rule Insurance Company
Lawrenceville, IL 62439

029B-794

Form # P-006

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Routing Request

Privatization

John O'Leary & William Eggers

John O'Leary and William Eggers are privatization experts at the Reason Foundation, 3415 South Sepulveda Boulevard #400, Los Angeles, CA 90034; 310/391-2245, fax 310/391-4395.

Private Contracting vs. Public Spending

New Jersey Set to Privatize

New Jersey Governor Christine Todd Whitman is poised to join fellow governors William Weld of Massachusetts and John Engler of Michigan in making competitive contracting and privatization (through asset sales) a cornerstone of her ambitious plan to rightsize state government. According to Governor Whitman, "Everything, and I mean everything, is on the table."

Already, Whitman has shut down two state agencies–the Department of Higher Education and the Department of the Public Advocate–and plans are underway to close seven of the state's 39 armories.

Why the big push to rightsize New Jersey government? Whitman needs to find a way to pay for the eventual $1 billion a year in tax cuts she has promised state taxpayers. She already has cut income taxes by 15 percent since taking office and has pledged to lop off another 15 percent next year.

"We're starting to move towards privatization," says Whitman. "We're looking at day-care centers, corrections, and other areas where the state should not be providing services that can be done as well, if not better, and cheaper by the private sector."

> *"We're looking at day care centers, corrections, and other areas where the state should not be providing services that can be done as well, if not better, and cheaper by the private sector."*

School Contracting

By contracting for support services such as busing, food service, and maintenance many school administrators are finding ways to save money and channel more resources into the classroom without compromising quality.

"Doing More with Less: Competitive Contracting for School-Support Services," a new report by the Reason Foundation, describes how K-12 public schools are using support-service contracting to obtain expertise, flexibility, and cost efficiencies from the private sector.

Experience with contracting has been well documented in the public schools, where private contractors provide roughly 30 percent of bus service and 10 percent of custodial and maintenance services, and operate at least 7 percent of school cafeterias. Central administrative tasks such as payroll, insurance, and workers compensation often are reduced when a contractor handles management and operations.

Mark Tennant, president of the Board of Education in Pinckney, Michigan, led a successful effort to outsource for maintenance and pupil transportation at a cost savings of $500,000 annually, plus a one-time cash infusion of another $500,000 from sale of the district's bus fleet. Says Tennant, "Contracting allows our school district to focus on what we're really supposed to do, which is to educate children. It means more resources in the classroom and less money spent on noninstructional services."

Teacher, Inc.?

But contracting has applications for core services as well. A new policy study by the Reason Foundation, "Teacher, Inc.: A Private-Practice Option for Educators," examines how both schools and teachers can benefit from private-practice teaching.

Private-practice teachers are professional educators who provide their services to schools on a contract basis. Contracting with a private-practice educator can help school officials strengthen accountability, cut costs, and increase flexibility. Using contracting, schools also can take advantage of outside expertise and innovation.

The contract is an agreement between the private-practice educator and the school or school board to provide a certain service. The contract specifies what will be provided, in what amount, by whom, and under what circumstances.

For example, public schools in ten states contract with Berlitz Jr., a private company, to teach foreign languages.

Airport Privatization Considered

Long-term leasing of major airports, already on the political agenda in Indianapolis and Los Angeles, has been proposed in two other cities. Someday, somehow, a major commercial U.S. airport will come under private management, following the successful example of several countries abroad.

In California, State Senator Quantin Kopp (San Francisco) proposed in June that the city sell or lease San Francisco International (SFO), so as to realize a respectable return on its investment. In Milwaukee, a proposal to privatize was made in mid-July by the Wisconsin Policy Research Institute, in a report by the Reason Foundation's Robert Poole. General Mitchell International Airport, the nation's 56th largest, was estimated to be worth between $96 and $132 million.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Routing Request

Taxes

Stephen Gold

TAX FOUNDATION

Stephen Gold is director of communications at the Tax Foundation, 1250 H Street NW #750, Washington, DC 20005-3908; 202/783-2760, fax 202/942-7675.

Federal, State, and Local Debt Piles Up; Government Debt is $16,835 Per Capita

By the end of 1993 federal, state, and local governments in the United States owed $4.4 trillion in credit market debt, an average of $16,835 for each American.

Governments are the largest borrowers in the country–ahead of households, which borrow for home mortgages and other uses, and ahead of corporate and noncorporate businesses, which borrow to finance investments in buildings, machines, and other items. Of the $4.4 trillion government debt total, the federal government owes $3.3 trillion while state and local governments owe $1.1 trillion.

At present, as a percentage of the nation's gross domestic product, gross federal debt stands at 70 percent. Although that ratio fell steadily for three decades following the massive World War II debt buildup, the trend was reversed in the 1980s and 1990s, and now stands at a postwar high.

Although overshadowed by concern about the federal debt, state and local government debt has been piling up quickly since the early 1980s as well. After hovering between $500 and $600 million (in 1993 dollars) every year from 1965 to 1984, state and local debt soared in the 1980s and early 1990s, and now totals over $1 trillion.

While federal debt is issued because politicians fail to balance the annual federal budget, debt financing at the state and local level is claimed to be more sound, since it finances capital-intensive projects. But the benefit of using debt financing is gained at the expense of higher total government costs–state and local governments in the U.S. spent $65 billion on interest in 1992, more than state and local governments spent on police and fire protection combined ($49 billion in 1992).

On a per-resident basis, Alaska leads in state and local indebtedness, with $15,307 per capita in 1992. Next in line are Delaware, New York, Rhode Island, Utah, Massachusetts, Washington, and Hawaii, each with state and local debt of over $5,000 per resident. If it were a state, the District of Columbia would rank second after Alaska, with a per-resident debt of $8,385. The least indebted state and local governments can be found in Idaho, Iowa, Mississippi, and Arkansas.

For the country as a whole, state and local debt rose 49 percent per resident between 1982 and 1992, in constant dollars. Eight states were successful in reducing their level of government indebtedness: Alaska, Oregon, Nebraska, Wyoming, New Mexico, Kansas, Iowa, and Washington. But the level of indebtedness dramatically increased in some states over the past decade. For example, in California, Florida, and Indiana, per-resident debt more than doubled between 1982 and 1992.

State and Local Per-Capita Debt (in 1992 Dollars)

	1982	1992	1992 Rank		1982	1992	1992 Rank
U.S. Average	$2,556	$3,812		Montana	2,416	3,566	25
Alabama	1,966	2,689	40	Nebraska	4,811	4,029	20
Alaska	24,404	15,307	1	Nevada	2,887	4,907	10
Arizona	3,528	4,941	9	New Hampshire	2,685	4,839	11
Arkansas	1,557	2,093	47	New Jersey	3,119	4,435	14
California	1,765	3,698	24	New Mexico	3,367	2,883	37
Colorado	2,588	4,567	13	New York	4,083	6,405	3
Connecticut	3,081	4,767	12	North Carolina	1,440	2,520	42
Delaware	4,914	6,612	2	North Dakota	2,108	3,071	34
Florida	1,955	4,053	19	Ohio	1,631	2,338	44
Georgia	2,004	3,067	35	Oklahoma	1,814	2,774	39
Hawaii	3,677	5,214	8	Oregon	4,856	3,480	28
Idaho	1,433	1,799	50	Pennsylvania	2,474	3,948	21
Illinois	2,142	3,489	27	Rhode Island	3,911	5,901	4
Indiana	1,085	2,205	46	South Carolina	2,226	3,160	33
Iowa	2,047	1,915	49	South Dakota	2,453	3,383	30
Kansas	3,129	2,838	38	Tennessee	2,105	2,464	43
Kentucky	3,297	4,186	18	Texas	2,481	3,786	23
Louisiana	3,351	4,405	16	Utah	3,521	5,721	5
Maine	1,926	3,296	31	Vermont	2,594	3,532	26
Maryland	3,218	3,882	22	Virginia	1,892	3,176	32
Massachusetts	2,797	5,492	6	Washington	5,680	5,461	7
Michigan	1,927	2,534	41	West Virginia	2,812	3,479	29
Minnesota	3,705	4,329	17	Wisconsin	1,857	2,990	36
Mississippi	1,335	1,927	48	Wyoming	5,206	4,421	15
Missouri	1,480	2,277	45	District of Columbia	6,303	8,385	

Note: Figures include all state and local, long- and short-term debt.
Source: Tax Foundation calculations based on Bureau of Census data.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Routing Request

Welfare

New Jersey Experiment Cuts Welfare Illegitimacy

Robert Rector

The Heritage Foundation

Robert Rector is a policy analyst for social, welfare, and family issues at The Heritage Foundation, 214 Massachusetts Avenue NE, Washington, DC 20002; 202/546-4400, fax 202/544-2260.

Recent scientific evidence from New Jersey shows that limiting the value of welfare benefits can dramatically reduce the number of illegitimate births among women on welfare. A 4 percent reduction in the dollar value of monthly welfare benefits was found to cause a 29 percent decrease in future illegitimate births among women enrolled in the Aid to Families with Dependent Children (AFDC) program.

In the early 1990s, black Democratic Assemblyman Wayne Bryant pushed through an innovative welfare reform in New Jersey known as the "family cap." Under the family cap, mothers already enrolled in the AFDC program no longer would receive an automatic increase in AFDC benefits for giving birth to additional children.

In accordance with guidelines established by the Department of Health and Human Services, New Jersey evaluated the effects of the family cap policy with a controlled scientific experiment using random assignment. In the experiment, AFDC recipients were randomly assigned to one of two groups: an "experimental" group that was subject to the family cap benefit limitation, and a "control" group exempt from the limitation. Such random assignment permits a scientific evaluation of the behavioral effects of the family cap by comparison of the experimental group to the control group.

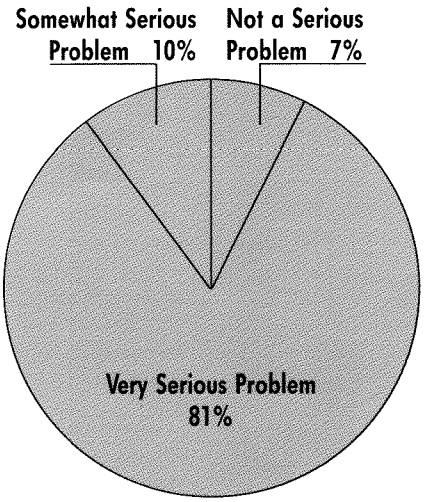
In all states except New Jersey, AFDC mothers who have given birth to additional children receive an automatic increase in welfare benefits. In the New Jersey experiments, mothers in the control group were treated according to conventional welfare policy, receiving a net increase in future monthly welfare benefits of $44 for each additional childbirth. By contrast, mothers in the experimental group did not receive an increase in AFDC benefits when they gave birth to additional children.

> *"During the first ten months after the cap's effective date (from August 1993 to June 1994), births among AFDC mothers subject to the family cap were significantly lower than births to AFDC mothers in the control group who were exempt from the cap."*

The impact of the family cap on the value of welfare benefits for AFDC mothers was quite small—$44 represents just 4 percent of the total monthly welfare benefits received by the average AFDC mother in New Jersey. Despite its modest impact on the dollar value of welfare benefits, the family cap policy was found to have a substantial effect on out-of-wedlock births among AFDC recipients. During the first ten months after the cap's effective date (from August 1993 to June 1994), births among AFDC mothers subject to the family cap were significantly lower than births to AFDC mothers in the control group who were exempt from the cap.

During the ten-month period, 5.46 percent of AFDC single mothers in the experimental group bore children out-of-wedlock, compared to 6.75 percent of mothers in the control group. Thus, welfare mothers subject to the cap had nearly one-fifth fewer illegitimate births than did the welfare mothers in the exempt group. Moreover, the New Jersey evaluation shows that these figures actually underestimate the effect of the family cap policy. After compensating for demographic differences between the control and experimental groups, the New Jersey evaluation concluded that the family cap had resulted in a full 29 percent reduction in illegitimate births among New Jersey welfare mothers.

Is Illegitimacy a Problem?



Family Research Council, May 1994

Intellectual Ammunition January/February 1995 © Institute

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

RESEARCH REPORT

Summaries of Research on State and Local Public Policy

BUDGET • CIVIL RIGHTS • CRIME
ECONOMIC DEVELOPMENT
EDUCATION • EMPLOYMENT
ENVIRONMENT • FAMILY
GOVERNMENT • HEALTH CARE
HIGHER EDUCATION • HOUSING
LABOR • LAW • PHILANTHROPY
PRIVATIZATION • REGULATION
TAXES • TRADE
TRANSPORTATION • WELFARE

See pages 22-23 for the addresses and telephone numbers of the publishers of research cited here.

PolicyFax!

Executive Summaries of many of the publications cited here are available through ***PolicyFax,*** The Heartland Institute's fax-on-demand research service. See page 19 for information on how to request these documents.

crime

What We Know about Reducing Crime. Statistical analyses show that we know very little about what works to reduce crime in the U.S. For example, increasing the number of police officers or corrections employees appears to have no significant effect on violent crime. Economic, demographic, and cultural conditions appear to be closely related to crime rates. *What to do?* Decentralize decisions on crime prevention and control—beginning with repeal of the 1994 federal crime law—to allow state experiments that will help identify what works. William A. Niskanen, "Crime, Police, and Root Causes," *Policy Analysis,* November 14, 1994, Cato Institute.

PolicyFax #1300303

THE DRUG INDEX
Total spent on U.S. drug war in 1981: $1.8 billion
Total spent on U.S. drug war in 1993: $12.3 billion
Total spent on U.S. drug war since 1981: over $100 billion
Percent of Americans who think the drug war is a failure: 77
Drug Policy Foundation, Fall 1994.

economy

Growing the U.S. Economy. By the end of the decade, U.S. GDP could increase by $3.9 trillion; an additional 3.2 million jobs could be added to the economy; and $623 billion could be added to the federal treasury. *How?* Capital gains tax relief, business depreciation reform, expanded IRAs, removal of 1993 tax increases on Social Security benefits, increase the Social Security earnings test to $30,000, and increase the estate tax exclusion to $1.5 million. Gary Robbins and Aldona Robbins, "Putting the Economy Back on the Growth Track: Six Steps to 'Upsize' the Economy," *TaxAction Analysis,* September 1994, Institute for Policy Innovation. ***PolicyFax #8020303***

All Threats to U.S. Business Are Not Foreign. While Americans are well aware of the threat foreign competition poses in the global marketplace, they are less aware of an imposing *domestic* threat to competitiveness: tax and regulatory obstacles raised by our own government. Many American firms are increasingly turning to foreign markets—not just for the export of U.S. production, but also for overseas investment. "American-headquartered companies of every shape, size, and variety are increasingly present in the different parts of the world that welcome capitalistic enterprises." Murray Weidenbaum, "How Domestic Regulation Handicaps U.S. Global Business," *Occasional Paper 142,* September 1994, Center for the Study of American Business.

U.S. Tax Policy Slows Economic Growth. While the economy has been expanding since the recession ended in March 1991, it is growing much more slowly than the 5 percent average growth rate achieved between 1983 and 1988. *Facts:* If the growth rate of the 1980s had been maintained, real GDP in the U.S. would be $1.3 trillion higher than it is today. As a result, the federal government has lost $200 billion in revenue since 1989, and could lose another $600 billion by the end of the decade. Gary Robbins and Aldona Robbins, "Looking Back to Move Forward: What Tax Policy Costs Americans and the Economy," *TaxAction Analysis,* September 1994, Institute for Policy Innovation.

education

Junk Food in U.S. Classrooms? U.S. students are suffering in public schools that serve them the equivalent of educational junk food. *Starved for a decent education:* Only 41 percent of a U.S. student's school day is devoted to the core academic subjects of English, math, science, civics, history, and languages. In Germany and Japan, students spend almost 80 percent of their school day on core subjects. Angela Henkels, "The American Education Diet: Can U.S. Students Survive on Junk Food?" September 1994, The Center for Education Reform.

U.S. students are in school about 1,000 hours a year more than their counterparts in Japan, Germany, England, Italy, Canada, and Korea—but this extra time is taken up by such pursuits as gym, driver's ed, counseling, assemblies, etc. **National Center for Education Statistics, *The Condition of Education,* 1993.**

Frequently Asked Legal Questions Answered. Are school choice programs that include religious schools permissible under the First Amendment? Will a voucher program inevitably lead to extensive regulation of private schools? These and ten other questions are answered in plain English by two of the country's leading school choice legal experts. Clint Bolick and Richard D. Komer, "School Choice: Answers to the Most Frequently Asked Legal Questions," Institute for Justice.

PolicyFax #2184405

Advice for California's State Superintendent of Education. If aggressive and innovative, California's newly elected state superintendent of education can push for reforms—from charter schools to contracting-out school services to using merit as the basis for teacher tenure—that address the key challenges facing public education in the state. Lance T. Izumi, "A Common-Sense Agenda for California's New State Superintendent of Public Instruction," *Briefing,* October 31, 1994, Pacific Research Institute.

PolicyFax #2172301

Choice Victories in 1994. "When the history of American parental freedom is written, 1994 may be described as the year when the snow-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ball was pushed to the top of the hill by school choice advocates." This newsletter summarizes educational choice achievements in 18 states and Puerto Rico. *Educational Freedom Report*, December 16, 1994, The Blum Center for Parental Freedom in Education.

Public Supports Standardized Tests of Student Achievement. While academics debate the merits of standardized testing and OBE advocates promote self-esteem coursework, the public continues to demand accurate measures of student academic achievement. According to the 25th annual Gallup Poll, 70 percent of survey respondents favor the use of standardized national tests to determine if a student advances to the next grade level. Indeed, 72 percent want their local public schools to be ranked by student achievement. Stanley M. Elam, Lowell C. Rose, and Alec M. Gallup, "The 25th Annual Phi Delta Kappa/Gallup Poll of the Public's Attitudes Toward the Public Schools," *Kappan*, October 1993.

A 1992 survey of adult literacy found that just 11 percent of U.S. high school graduates—and only half of those with bachelor's degrees—could accurately re-state in writing the main point of a newspaper article. Scott W. Hamilton and Bruno V. Manno, "The Unfinished Work of School Reform," *Commonsense*, Summer 1994. Contact the National Policy Forum, 229 Pennsylvania Avenue SE, Washington, DC 20003.

Grade of C+ Awarded to Education in 1993-94. Reviewing such education reform activities as Goals 2000, outcome-based education, charter schools, contracting, and educational choice, the Educational Excellence Network awarded 1993-94 in education a C+, "a mark that traditionally suggests tolerable effort but lackluster results." *Looking Back, Thinking Ahead: American School Reform 1993-1995*, Educational Excellence Network.

Teachers Unions Key to Education Reform. Before market-oriented education reforms—such as school choice or contracting-out for instructional services—can be accomplished, the teachers unions' veto power over state educational policy must be weakened. *Three-prong approach:* reduce union revenues; eliminate taxpayer subsidies to the unions; impose on teachers unions the same bargaining requirements that apply to private-sector unions. Dr. Myron Lieberman, "Teacher Unions: Is the End Near?" *Briefings*, December 15, 1994, The Claremont Institute. ***PolicyFax #2180301***

CEO America, a national clearinghouse for information on privately funded voucher programs, reports that nearly 6,100 students are participating in such programs that have been launched in 15 cities in ten states and the District of Columbia. Nearly 12,000 students are on waiting lists. **CEO America, September 1994.**

Real Education Reform without More Money. "Reforming America's schools does not require more money. On the contrary, the cause of reform will best be advanced by holding overall real spending constant. Schools must acquire the discipline imposed by economic efficiency. They must learn to consider trade-offs among programs and operations. They must learn to evaluate performance and eliminate programs that are not working. They must learn to seek out and expand on productive incentive structures and organizational approaches. In short, they must make better use of existing resources." Eric A. Hanushek, "Making America's Schools Work," *The Brookings Review*, Fall 1994, The Brookings Institution.

Reforming Education to Save Somebody's Children. According to the U.S. Secretary of Education, some schools in America "should never be called schools at all." One of the country's leading education experts, Diane Ravitch, comments: "Somebody's children are compelled—some would say, condemned—to attend schools that most teachers shun, if they can, in neighborhoods that people of means avoid, if possible. Somebody's children go to those schools. Not mine. Not yours. Not Secretary Riley's. Not President Clinton's nor Vice President Gore's. Not the children of urban mayors or school superintendents or teachers." Ravitch outlines a means-tested educational choice program to rescue these children from failing schools. Diane Ravitch, "Somebody's Children," *The Brookings Review*, Fall 1994, The Brookings Institution.

"Education today reminds me of the story of the farmer who boasts of the water, feed, space, and contentment of his chickens. 'But,' asks the skeptic, 'do they lay eggs?" **Saul Cooperman.**

employment

How Government Perpetuates Unemployment. "An important and overlooked factor in the continued high level of unemployment is the rising load of regulation, mandates, and payroll taxes that government is imposing on business and other employers." *A heavy load:* the Civil Rights Act, liability for wrongful termination, the Family and Medical Leave Act, mandated health care, minimum wage legislation, OSHA, workers comp, ad nauseam. Murray Weidenbaum, "The Discouraged Employer," *The Freeman*, November 1994, Foundation for Economic Education.

environment

Of Mice, Men, and the Environment. Animals are essential in biomedical research, but so is common sense. Too often, chemicals are branded "dangerous to human health" and banned, merely on the basis of laboratory animal studies. Animal studies can be helpful, but as currently used they fail to distinguish real risks from trivial ones. "Mouse Terrorism: Pseudoscience and the Regulation of Environmental Chemicals," *Commonsense*, Summer 1994. Contact the National Policy Forum, 229 Pennsylvania Avenue SE, Washington, DC 20003.

Reducing Auto Pollution in Ohio. Under provisions of the Clean Air Act of 1990, Ohio's biggest cities are required to reduce air emissions by 15 percent by 1996. The state's EPA plans to deny registration to vehicles that fail to meet emissions tests conducted annually. A better approach—one that wouldn't deny registration to the poor, who tend to own older cars—would be to charge sliding-scale registration fees based on the amount of pollution a car produces. Dennis Miller and Sam Staley, "The Best Solution for Ohio's Pollution Woes," *Perspective on Current Issues*, November 30, 1994, The Buckeye Center.

The Case against Environmental Apartheid. Environmental regulations that rely on separating man from nature will fail just as surely as did the segregationist politics of South Africa. A better approach to environmental re-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

form—the free-market approach— aims at uniting man with nature. Fred L. Smith, Jr., "Taking Environmental Values Seriously," November 10, 1994. Contact The Discussion Club, 319 North 4th Street #622, St. Louis, MO 63102.

Addressing the NIMBY Syndrome. Siting unwanted facilities for hazardous waste disposal has become one of the most difficult tasks an agency of government can undertake. It needn't be that way, however. *Key:* Citizens must not be made to feel that they are "negotiating" with the government, because such an approach results in a we/they dichotomy that produces nothing but distrust and dissension. Martin Sellers, "Understanding NIMBY," *Carolina Journal*, August-September 1994, The John Locke Foundation Inc.

Electromagnetic Fields: Health Hazard or Hype? Parents across the country have been persuaded by "junk reporting" that electromagnetic fields from power lines and other sources cause cancer in children. Sound research suggests that their terror is unfounded. Yet fear, conspiracy-mongering, biased reporting, and statistical gerrymandering lead anti-EMF activists to seek the impossible: elimination of all EMF exposure. Michael Fumento, "Shock Journalism," *Reason*, January 1995, Reason Foundation.

Re-Thinking the Endangered Species Act. The 1973 Endangered Species Act is in desperate need of a major overhaul. Taxpayers currently pay between $5 and $8 billion to protect species that are neither rare nor threatened. *The road to reform:* better definition of what constitutes an endangered species; directing federal resources to protecting the highest-priority species; and compensation to private property owners adversely affected by the Act. Jonathan Tolman, "Of Mice and Men: A Look at the Endangered Species Act," *Issues and Answers*, November 30, 1994, Citizens for a Sound Economy Foundation. ***PolicyFax #2321301***

Smokers vs. Non-Smokers: Who Decides? The best approach to resolving conflicts between smokers and non-smokers is a decentralized approach, one that avoids top-down, "one-size-fits-all" regulations. "The most important role for government in this approach is . . . to provide succinct, unbiased information to guide decentralized choices among alternative rules. Let's try to sort out the rules for smoking in this way before some different majority tries to use the government to control more important matters such as chocolate, french fries, skiing, and sex." William Niskanen, "The Science and Politics of Tobacco," *Cato Policy Report*, November/December 1994, Cato Institute.

Clinton Environment Policy Headed in Wrong Direction. The Clinton administration has proposed a new environmental initiative to avoid collisions of economic enterprise and environmental preservation . . . which it would do by having the federal government manage and protect ecosystems throughout the country. While avoiding such "train wrecks" is an admirable goal, it cannot be reached "by placing the economic and property rights trains on sidings to allow the 'Environmental Express' to highball down the track at top speed." Allan K. Fitzsimmons, "Federal Ecosystem Management: A 'Train Wreck' in the Making," *Policy Analysis*, October 26, 1994, Cato Institute. ***PolicyFax #2366301***

family

Welcome

New & Returning Members of State Legislatures

We're Here to Help!

The Alabama Family Alliance
PO Box 59468
Birmingham, AL 35259
205/870-9900 / fax: 205/870-4407

Arizona Institute
2700 S Woodlands Village Boulevard
Suite 300-329
Flagstaff, AZ 86001
602/526-2597 / call first to fax

The Beacon Hill Institute
Suffolk University
8 Ashburton Place
Boston, MA 02108-2770
617/573-8750 / fax: 617/720-4272

The Buckeye Center
131 N Ludlow Street #308
Dayton, OH 45202
513/224-8352 / fax: 513/224-8457

Cascade Policy Institute
813 SW Alder #707
Portland, OR 97205
503/242-0900 / fax: 503/242-3822

Center of the American Experiment
2342 Plaza VII
45 South 7th Street
Minneapolis, MN 55402
612/338-3605 / fax: 612/338-3621

The Commonwealth Foundation
600 North 2nd Street #300
Harrisburg, PA 17101
717/231-4850 / fax: 717/231-4854

The Empire Foundation
130 Washington Avenue #1000
Albany, NY 12210
518/432-4444 / fax: 518/432-6617

Ethan Allen Institute
RR1
Concord, VT 05824
802/695-2555 / call to fax

Evergreen Freedom Foundation
P. O. Box 552
Olympia, WA 98507
206/956-3482 / fax: 206/352-1874

Georgia Public Policy Foundation
2900 Chamblee
Tucker Road Building 6
Atlanta, GA 30341-4128
404/455-7600 / fax: 404/455-4355

Golden State Center
2012 H Street #101
Sacramento, CA 95814
916/446-7924 / fax: 916/446-7990

Goldwater Institute
Bank One Center - Concourse
201 North Central Avenue
Phoenix, AZ 85004
602/256-7018 / fax: 602/256-7045

The Heartland Institute
800 East Northwest Highway #1080
Palatine, IL 60067-6516
708/202-3060 / fax: 708/202-9799

Indiana Policy Review Foundation
320 North Meridian Street #615
Indianapolis, IN 46204-1725
317/236-7360 / fax: 317/236-7370

Independence Institute
14142 Denver West Parkway #101
Golden, CO 80401
303/279-6536 / fax: 303/279-4176

The John Locke Foundation
P. O. Box 17822
Raleigh, NC 27619
919/847-2690 / fax: 919/847-8371

The Mackinac Center
P. O. Box 568
Midland, MI 48640
517/631-0900 / fax: 517/631-0964

The James Madison Istitute
PO Box 13894
Tallahassee, FL 32317-3894
904/386-3131 / fax: 904/386-1807

Nevada Policy Research Institute
P. O. Box 20312
Reno, NV 89515
702/786-9600 / fax: 702/786-9604

Public Interest Institute
600 North Jackson Street
Mt. Pleasant, IA 52641
319/385-3462 / fax: 319/385-3799

Resource Institute of Oklahoma
28 Northwest 7th
Oklahoma City, OK 73102
405/239-6700 / fax: 405/239-6701

South Carolina Policy Council
1419 Pendleton Street
Columbia, SC 29201
803/779-5022 / fax: 803/779-4953

Texas Public Policy Foundation
8122 Datapoint Drive #910
San Antonio, TX 78229
210/614-0080 / fax: 210/614-2649

Washington Institute
999 Third Avenue #1060
Seattle, WA 98104
206/467-9561 / fax: 206/467-0910

Wisconsin Policy Research Institute
3107 North Shephard Avenue
Milwaukee, WI 53211
414/963-0600 / fax: 414/963-4230

The Yankee Institute
117 New London Turnpike
Glastonbury, CT 06033
203/633-8188 / fax: 203/657-9444

These organizations are members of State Policy Network, the trade association for free-market think tanks.

FOR MORE INFORMATION, CALL 219/637-7778.

Intellectual Ammunition January/February 1995 © The Heartland Institute

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Arizona Child Care "Investment" Too Good to Be True. Advocates of Success by Six, a $22.5 million-a-year program aimed at Arizona's at-risk children and families, claim the program will save taxpayers $35.7 million by cutting juvenile crime, child abuse, and other social ills. Those claims, however, are based on reports and statistics that in fact don't say what Success by Six advocates claim they say. Jeffry L. Flake, "Success by Six: It's an Expenditure, Not an Investment," *Perspective*, September 28, 1994, Goldwater Institute.

PolicyFax #9272103

Residential Mobility and Teen Sexual Activity. A 1994 study published in the *Journal of Marriage and the Family* reported that teenagers who have moved frequently are more likely to engage in premarital intercourse than those who have not. The national survey of 1,287 young women aged 15-19 revealed that every time a teenager's family moved, the likelihood that she engaged in sexual intercourse increased by 4 percent, even after factors such as region of the country and family structure were taken into account. *In Focus*, 1994, Family Research Council.

Single men comprise 13 percent of the U.S. population, yet they commit nearly 90 percent of the country's violent crime and are five times more likely to commit violent crimes than married men. They are five times more likely to rape than married men. **Family Research Council, 1994.**

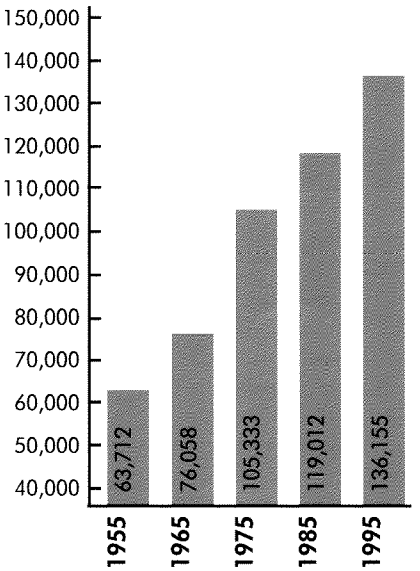
Setting the Record Straight on Domestic Violence. Domestic violence is a serious problem that cannot be addressed effectively by policymakers bombarded by myth and distortion. *Example:* Although the National Coalition against Domestic Violence claims half of all women will experience some form of violence from their partners during marriage, analysis of Justice Department statistics suggests "the safest place in America for a woman is to be married and living in a household headed by a husband." Robert L. Maginnis, "The Myths of Domestic Violence," *Insight*, 1994, Family Research Council.

When Child Abuse Laws Become Anti-Family. When parents can be arrested on felony charges for slapping their foul-mouthed children, the time has come to start fundamentally rethinking our system of child protection laws. Protecting children from violent, out-of-control parents is a good thing . . . but pulling a child out of a loving, but firm, family is not. David M. Wagner, "The Slap Heard 'Round the World," *Perspective*, 1994, Family Research Council.

government

Term Limits and the Constitution. Proponents of Congressional term limits have won significant state-level victories in recent elections . . . but the proponents' ultimate goal is amending the U.S. Constitution. While critics claim the founders never intended for constitutional amendments to come from such grassroots activity, in fact both the Seventeenth Amendment (popular election of Senators) and the Nineteenth Amendment (women's right to vote) developed in a similar fashion. Kris W. Kobach, "Rethinking Article V: Term Limits and the Seventeenth and Nineteenth Amendments," *Term Limits Outlook*, August 1994. Contact U.S. Term Limits Foundation, 1511 K Street NW #540, Washington, DC 20005.

Growth in Number of People Employed by Federal Government Tax Industry



Tax Foundation, September 1994

The Financial Impact of Term Limits. If terms for members of Congress were limited, decisions on federal budget issues would show increased fiscal restraint and more closely match the wishes of the majority of the American people. *For example:* If only junior members of Congress had been voting in recent years, a balanced-budget amendment would have passed; the president would have been given the line-item veto; the Bush and Clinton tax increases would have been defeated; and the bipartisan Penny-Kasich spending cut package would have been approved. Stephen Moore and Aaron Steelman, "An Antidote to Federal Red Ink: Term Limits," *Briefing Papers*, November 3, 1994, Cato Institute. ***PolicyFax #2880303***

Will Court Keep Congress in Check? The U.S. Constitution limits the reach of the federal government by specifying what it is permitted to do—and the Tenth Amendment confirms this limit. Now the Supreme Court has a golden opportunity to hold Congress to its constitutional limits when it considers the case *United States v. Lopez*, in which a lower court had determined that Congress did not have the power to pass the 1990 Gun-Free School Zones Act. Glenn Harlan Reynolds, "Kids, Guns, and the Commerce Clause: Is the Court Ready for Constitutional Government?" *Policy Analysis*, October 10, 1994, Cato Institute.

PolicyFax #2800301

Georgia Pays the Price for Unfunded Mandates. Federal mandates are an unconstitutional intrusion into the affairs of state and local governments—and an expensive intrusion at that. It's estimated that local governments in Georgia allocate as much as 25 percent of their budgets to pay for unfunded federal mandates. Kelly McCutchen, "Whatever Happened to the Tenth Amendment?" *Commentary*, 1994, Georgia Public Policy Foundation Inc.

Three Principles for Massachusetts. The Pioneer Institute for Public Policy has sketched out a four-year plan for governance based on three key principles: (1) *Focused Government*—establishing priorities, focusing on what government is uniquely qualified to do, abandoning activities that it cannot do well or should not do at all. (2) *Community-Based Solutions*—delegating activities, particularly in the arena of social policy, to local governments and community organizations. (3) *Competition and Choice*—improving public service delivery by using multiple competing providers and giving consumers choice. James A. Peyser, editor, *Agenda for Leadership*, 1994, Pioneer Institute.

Congress: Cut Their Pay and Send Them Home. Term limits are one mechanism for

Intellectual Ammunition January/February 1995 © The Heartland Institute

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

producing a Congress more "in touch" with its constituency. Another approach, rapidly gaining popularity, is to make Congress a part-time job: Legislative sessions would be limited to six months per year, and salaries would be cut in half. Such a move would force Congress to set priorities and make decisions, shrink the size and the budget of the federal government, and keep lawmakers in touch with their constituents . . . and the real world. Dan Greenberg, "Cutting Congress Down to Size: How a Part-Time Congress Would Work," *Backgrounder*, November 2, 1994, The Heritage Foundation.

A Free Society Requires Commitment to Principle. "Government and political action in a free society require making principled distinctions between the jurisdictions of the individual, the family, voluntary communities, and the state. It's not enough to hang your hat on the slogans of either individualism or of communitarianism; it's even less satisfactory to use one set of slogans on economic issues and another on 'lifestyle' issues. Conservatives are wrestling with this problem right now; it's time liberals did, too." David M. Wagner, "Ain't Nobody's Business, Unless It's Somebody's: Liberals Contradict Themselves on Individual and Community," *Perspective*, 1994, Family Research Council.

The Boston Tea Party, Part Two. The first American revolution was fought to oppose taxation without representation. A second revolution, led by mayors, county commissioners, governors, and other officials at the state and local level, is brewing to oppose what Columbus, Ohio mayor Gregory Lashutka calls "spending without representation." Two problems with unfunded federal mandates: (1) They undermine the authority of local government officials (and the citizens they serve) to set local priorities. (2) They disguise the true identity of those responsible for tax increases, denying accountability to taxpayers. Gregory S. Lashutka, "Local Rebellion: How Cities Are Rising Up against Unfunded Federal Mandates," *Commonsense*, Summer 1994. Contact the National Policy Forum, 229 Pennsylvania Avenue SE, Washington, DC 20003.

Congress Graded on Mandates Test. It comes as no surprise that some members of Congress are more friendly to the cause of states' rights than are other members. But how do you know who's who? The Goldwater Institute has produced a scorecard that names names and rates every member of Congress according to his or her votes on key unfunded mandates bills and sponsorship of mandate relief legislation. John E. Berthoud, Ph.D., "The Federal Mandates Scorecard: In Search of Friends of the 10th Amendment," *Issue Analysis*, November 1994, Goldwater Institute.

PolicyFax #0865302

health

Community Rating: A Reform to Avoid. Health care reform proposals that include provisions for community rating would boost the number

The Hysteria Over Dioxin

By Joseph Bast

PALATINE, IL–The popular press has given extensive coverage to the latest report from the Environmental Protection Agency (EPA) on dioxin. According to press accounts, dioxin may cause cancer and may pose a risk to human immune, reproductive, and developmental systems.

Are these news reports reliable evidence that toxic substances lurk in our food, air, and water? No. Upon closer examination, it is clear that the frightening headlines misrepresent the true story about dioxin.

First, the EPA report is only a draft report that has not yet been reviewed either by the EPA's own science advisory board or by outside independent scholars. This is important, because scientific reports often undergo substantial revision during academic review.

Second, the EPA report stops short of saying dioxin is a known cause of cancer in humans, and it calls for more research on other possible effects of dioxin on human health. This, too, is important: Scientists have been searching for evidence of a link between cancer and dioxin for over twenty years. Clear evidence of such a link is still missing, after an examination that runs to two thousand pages and three volumes. This should give us pause.

A third problem overlooked by media accounts is that, in the EPA's own words, the report does not address questions of dioxin policy or regulatory action. The report does not call for more strict regulation of dioxin emissions. Indeed, following a complete review of its draft assessment by the scientific community, the EPA may decide that further regulation is unnecessary.

Dioxin levels are, after all, already falling rapidly. Moreover, sound scientific research shows that dioxin poses little or no threat to our health. For example, scientists and physicians have carefully monitored the health of persons accidentally exposed to dioxin, in some cases at levels thousands of times greater than those any of us will ever face. These studies have found no evidence of cancer or other adverse health effects.

Why, then, do many environmentalists try to make dioxin Public Enemy Number One? One reason is that laboratory studies show dioxin to be extremely toxic to guinea pigs, and some observers conclude that dioxin is similarly toxic to other animals, including humans. This assumption has been proven wrong. Indeed, the dose required to kill a hamster is five thousand times as much as the lethal dose for guinea pigs!

Another reason for the false alarm is that a small number of small-scale, unreplicated, and unreliable epidemiologic studies appear to show an association between dioxin and cancer. Environmentalists jump on these studies because they make good fodder for fundraising letters; the media publicizes them because they generate good ratings and sell newspapers. Thousands of other studies showing no link are going unreported.

We are all the poorer for this skewed and incomplete public debate over dioxin. Instead of focusing our attention on genuine threats to public health and the environment, we waste billions of dollars (and destroy thousands or even millions of jobs) chasing one hyped-up crisis after another.

As the national debate over dioxin continues, we can count on government officials and environmental groups to demand the complete elimination of dioxin from every man-made source, regardless of science and regardless of cost. And we can expect industry spokesmen to say they already have made great strides in reducing dioxin emissions (which is true), and that they are willing to work for further reductions.

What we cannot expect is an honest admission from any of the players in this sorry spectacle that public concern over the threat of dioxin greatly exceeds the real risk, or that the money being spent reducing dioxin levels could better be spent elsewhere. And that should concern us all.

♣ ♠ ♦ ♥

Joseph Bast is president of The Heartland Institute, an independent nonprofit research organization, and coauthor of *Eco-Sanity: A Common-Sense Guide to Environmentalism* (Lanham, MD: Madison Books, 1994).

Intellectual Ammunition January/February 1995 © The Heartland Institute

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of uninsured in the U.S. by as many as 15 million people—many of them young people with low-paying jobs struggling to support new families. After New York adopted its own community rating law, between 500,000 and 600,000 New Yorkers opted to drop their health insurance and join the ranks of the uninsured. Community rating on a national scale would impose a tax of nearly $60 billion on Americans between the ages of 20 and 34. John S. Tottie, "Community Rating: Creating a Sicker America," *Issues and Answers*, August 15, 1994, Citizens for a Sound Economy Foundation. ***PolicyFax #3236302***

FDA Proposes Takeover of Natural Medicine. Since herbs and vitamin supplements were classified as foods in 1976, natural medicine has become a $14 billion-a-year business. But new legislation (the Nutritional Labeling Education Act) that reclassifies herbs and vitamin supplements as *drugs* could destroy the industry, denying patients access to natural therapies that for many have worked better than conventional medicine. Stephanie Hiller, "FDA and the Market in Natural Medicine," *The Freeman*, September 1994, Foundation for Economic Education.

Pharmaceutical Drugs Save Lives, Money. Price controls on pharmaceutical drugs are "penny-wise and pound-foolish," as they will slow innovations that save both lives and money. For *example:* A $300 drug treatment for angina saves a $50,000 bill for coronary bypass surgery. New drug treatments for Alzheimer's, cancer, and cardiovascular diseases are expected to slash the $311 billion that these diseases cost the nation's economy each year. Paul Beckner, "The High Price of Controls," *Philanthropy*, Summer 1994, The Philanthropy Roundtable.

Aiming at the Health Care Reform Bullseye. Out-of-control spending by the federal government is the key source of health care spending inflation. In 1960, the federal government paid just 10.7 percent of the nation's health care bill ($14.2 billion of a total $132.9 billion). By 1995, it is projected that fully 35.5 percent of health care spending ($355.4 billion of a total $1.07 trillion) will come from the federal government. "Foundation Examines Three Decades of Government-Run Health Care Financing," *Tax Features*, September 1994, Tax Foundation.

Health Care Reform a Near-Miss for States. "Almost lost in the debate over health care reform has been the new obligations placed on states. After the federal government creates a subsidy program for the poor, a new requirement on insurance companies, or 'simply' a demand for information, it is the states who shoulder the primary responsibility for managing the new program, monitoring compliance, or collecting data." The failure of President Clinton's Health Security Act was good news for state legislators nationwide–who would do well to keep close tabs on new proposals that start turning up in Washington this year. John C. Liu, "Health Care Debate Talking Points #11: The Heavy Burden on States," *F.Y.I.*, September 7, 1994, The Heritage Foundation.

What the States Can Do. Health care reform may not be in the headlines as regularly as it was just a year ago, but it's still necessary. And while the federal government hems and haws about what reforms it may adopt, state legislatures can do much to reduce health care costs. *A plan:* repeal certificate-of-need regulations and mandated insurance benefits; reform insurance law by creating risk pools and eliminating community rating; and reform occupational licensure by expanding the role of nurses, physicians' assistants, and other medical professionals. Doug Bandow, "Reforming America's Medical System through Deregulation," *The Freeman*, August 1994, Foundation for Economic Education.

Hawaiian Health Care No Model for Reform. "Hawaii has had most of the components of the Clinton health care proposals in effect since the enactment of its Prepaid Health Care Act in 1974. It has failed in its two major goals of 1) decreasing the number of Hawaii's population that were uninsured and 2) curtailing the ever-rising costs of health care delivery. In order to control spiraling health care costs, it has just instituted its Health Quest Program, which will severely ration care and deprive most of the citizens of our state of their right to be treated by the physician of their choice." Dr. Philip D. Hellreich, "A Critique of the Hawaii Health Care System," *The Heritage Lectures #496*, The Heritage Foundation.

PolicyFax #3272122

Life Expectancy Depends Little on Health Care Industry. Critics of the U.S. health care system often point to life expectancy and infant mortality as "proof" that our system is failing. The truth is, however, that both of these measures are primarily a result of genetics, lifestyles, and environments—not the quality of medical care. Citizens of Cuba and the United States have the same average life expectancy—75.6 years—but in which country would you prefer to have your heart surgery? "How Not to Judge Our Health Care System," *Brief Analysis*, November 15, 1994, National Center for Policy Analysis.

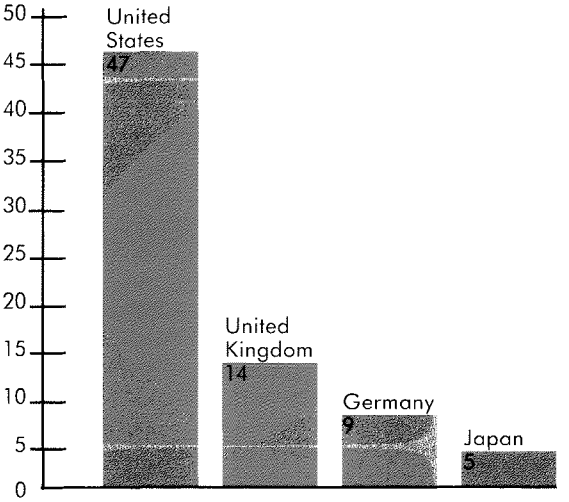
PolicyFax #3200302

Litigation No Way to Recover Medicaid Costs. Florida and Mississippi have filed suit against tobacco companies seeking reimbursement for the tens of millions of dollars of Medicaid payments that are allegedly attributable to tobacco-related illnesses. Other states seem likely to do so as well . . . but they'd do well to reconsider this tactic. *Hardly a windfall:* The average state, even if it won such litigation, would stand to gain only about 15 cents for every dollar it recovered in court. Dr. John Berthoud, "The Economic Consequences of Medicaid Litigation," July 11, 1994, The Commonwealth Foundation.

PolicyFax #3228303

VA Health Care System Needs Reform. The Veterans Administration runs the largest and least efficient hospital system in the country, spending some $5,556 per person on health

U.S. Leads World in New Drug Development
(# of new worldwide drugs developed, 1975-1989)



Source: Christine Rooney Merchant, *Health Care Reform Made Easy*, 1994

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

care in 1992—compared to just $1,675 per person spent by the private sector. Even though the care is free, about 90 percent of the 27 million veterans who could use the VA system choose not to. A better system of health care would provide eligible veterans a voucher they could use to purchase health insurance in the private sector. "In Harm's Way: The VA Health Care System," *Brief Analysis*, November 15, 1994, National Center for Policy Analysis. ***PolicyFax #3228304***

higher education

The Pitfalls of Academic Tenure. The tenure system employed in universities across the country exacerbates the imbalance between research and teaching and serves as "an invitation to sloth on the part of senior faculty and timidity on the part of junior faculty." *What's the alternative?* One proposal suggests that university faculty be retained on the basis of points accumulated for teaching, research and publications, and community service. Such a system "tenures everyone" and "gives teaching an equal standing with research." Dr. Paul Rich, "Sacred Cow: Tenure and the Demise of Academic Accountability," *Policy Report*, September 1994, John Locke Foundation.
PolicyFax #2132302

law

Champions of Private Property Named. The League of Private Property Voters has named 111 U.S. Representatives and 35 Senators "Champions of Private Property Rights," recognizing their support for private property in 24 key votes. The League reports that "large numbers of politicians have jumped on the bandwagon and proclaimed steadfast support of property rights." *1993-94 Private Property Congressional Vote Index*, September 1994. Contact the League of Private Property Voters, P.O. Box 423, Battle Ground, WA 98604.
PolicyFax #4864301

Colorado: The Lawless State. Recent actions by the Colorado Supreme Court vividly demonstrate that the state lives by the rule of six men—not the rule of law. *Proposed solutions:* term limits for justices; confirmation of gubernatorial appointments by the state legislature; and making justices subject to recall by the legislature. Dwight Filley, "Colorado: A Lawless State," *Independence Feature Syndicate*, December 16, 1994, Independence Institute.

privatization

Los Angeles Could Save Millions. By privatizing just seven city services—trash collection, emergency medical services, workers compensation, parking enforcement, the Los Angeles Zoo, 12 municipal golf courses, and building maintenance/custodial services–the *city of Los Angeles could realize annual savings of nearly $120 million.* William D. Eggers, *Competitive Government for a Competitive Los Angeles*, November 1994, Reason Foundation. ***PolicyFax #6512301***

Toll Road Privatization from a Foreign Perspective. The Dulles Greenway—the first U.S. toll road in decades to be privately financed—rates a feature story in *World Highways*, published out of the United Kingdom. The author notes that "toll roads *built by public-private partnerships are common elsewhere in the world . . .* [but] American infrastructure has historically been the domain of government agencies." John P. Fowler, "Experiment in Privatization," *World Highways*, July/August 1994. Contact the editorial offices at Huntingdon House, 278-280 Huntingdon Street, Nottingham NG1 3LY United Kingdom.

How to Privatize an Airport. From short-term management contracts to long-term leases and outright sales, privatization offers benefits to everyone who has a stake in the operation of an airport. Already in the U.S., 14 airports are managed by private contractors, and five have been leased to the private sector. Worldwide, airport sales have occurred or are planned in 11 countries, and eight additional countries are studying airport sale proposals. Robert W. Poole, Jr., "Guidelines for Airport Privatization," *How to Guide #13*, October 1994, Reason Foundation.
PolicyFax #6532301

regulation

When You Need Information NOW! Just Call PolicyFax!

PolicyFax is an electronic research service that callers access with a telephone and a fax machine. ***PolicyFax*** offers 24-hour access by fax to hundreds of documents from 38 different think tanks.

PolicyFax documents are free to state legislators, editors, and reporters who have established ***PolicyFax*** accounts (see below); other callers will be charged $5 per document ordered.

To access ***PolicyFax*, just call 510/208-8000** and follow the recorded voice prompts to choose among the following options:

PRESS 1 TO ORDER DOCUMENTS.
At the voice prompt, enter your account number (see below) or Visa or MasterCard number. You will be prompted for the seven-digit number assigned to the document(s) you wish to order.

PRESS 2 TO OPEN AN ACCOUNT.
At the voice prompt, enter your fax number, and a ***PolicyFax*** account authorization form will be sent to you. Complete the form and return it to The Heartland Institute. Opening a ***PolicyFax*** account is free.

PRESS 3 FOR FREE DIRECTORIES.
Choose a complete directory (about ten pages) or request a shorter subdirectory by using the following two-digit topic codes:

00	Free Documents	23	Environment
08	Budget	28	Government
12	Civil Rights	32	Health Care
13	Crime	65	Privatization
19	Economic Development	72	Regulation
20	Economy	80	Taxes
21	Education	81	Transportation
		92	Welfare

If you have trouble making ***PolicyFax*** work, call 708/202-3060 and ask to speak to Rick Buckley or Diane Bast.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Regulation: A Problem We Cannot Ignore. The federal regulatory bureaucracy costs three times as much today as it did in 1970. Nearly 133,000 people are employed by the federal government to run the bureaucracy. Small business owners pay the price: They spend at least one billion hours every year filling out government forms, at an annual cost of $100 billion. Susan M. Eckerly, *A Citizen's Guide to Regulation*, September 1994, The Heritage Foundation.

> The Lord's Prayer is 66 words, the Gettysburg Address is 286 words, there are 1,322 words in the Declaration of Independence . . . but government regulations on the sale of cabbage total 26,911 words. **Institute for Policy Innovation, August 1994.**

Regulation: An Increasingly Heavy Burden to Bear. After declining to a decade-low of $469 billion in 1986, the total cost of federal regulations reached $581 billion in 1993—some $5,934 per household. Regulatory costs are projected to reach $662 billion by the end of the decade. Environmental regulations alone cost $133 billion in 1993. Cesar Conda, "The Regulatory Tide: High and Rising," *IPI Insights*, August 1994, Institute for Policy Innovation. ***PolicyFax #7212301***

taxes

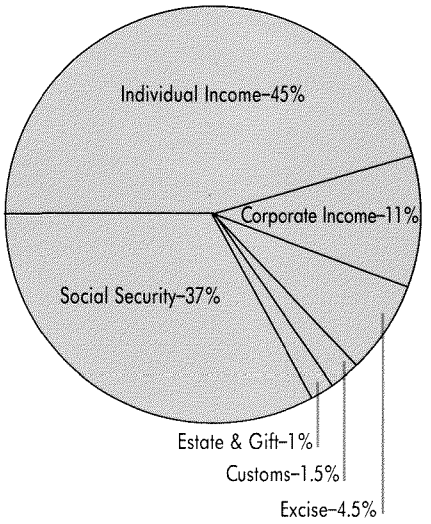
Tax Limitation Works for Michigan. In 1978, Michigan voters approved the Headlee Amendment to their state constitution, limiting state revenues to no more than 9.49 percent of personal income in Michigan. Fifteen years later, a commission appointed by Governor John Engler to review the performance of the Amendment concluded it has worked well—and the Amendment may serve as a model for action at the federal level. Dr. Gary Wolfram, "The Headlee Amendment: Alive and Well," *Viewpoint*, October 3, 1994, Mackinac Center for Public Policy.

Tax Burden Has Doubled in Your Lifetime. In 1993, Americans paid twice as much in taxes per capita as they paid just forty years ago. The per-capita tax burden was $7,554 (34.5 percent of personal income) in 1993—versus $3,073 (26.6 percent of personal income) in 1954. Gary Robbins and Aldona Robbins, "Looking Back to Move Forward: What Tax Policy Costs Americans and the Economy," *TaxAction Analysis*, September 1994, Institute for Policy Innovation.

In Search of the Ideal Tax Rate. To maximize economic growth, personal incomes, and government revenues, the average tax rate for federal, state, and local taxes combined should be 23 percent of gross national product. Taxes as a share of GNP have not been in this range since 1949. And ***what if*** taxes had been held in this range between 1949 and 1989? Real GNP would have been $13.6 billion by 1989; the average American family would have twice as much real income today than it actually has; and government at all levels would have collected $11.6 trillion more in taxes! Gerald W. Scully, "What is the Optimal Size of Government in the United States?" November 22, 1994, National Center for Policy Analysis. ***PolicyFax #8020302***

Federal Tax Burden
by type of tax, FY 94 ($billions)

Individual Income	$550	45%
Social Security	$457	37%
Corporate Income	$131	11%
Excise	$55	4.5%
Customs	$19	1.5%
Estate & Gift	$13	1%



Source: Tax Foundation, May 1994

Remember Tax Code "Streamlining?" Between 1954 and 1994, the complexity of the federal tax code—as measured by the number of subsections in the code—increased by nearly 600 percent. In 1954, the Internal Revenue Code had just 103 subsections; today, it has 698. "Survey Shows Parallel in Growth of Federal Tax 'Industry' and Tax Code," *Tax Features*, September 1994, Tax Foundation.

Taxation a Growth Industry. Between 1955 and 1995, the number of persons employed in the federal government tax industry increased by 114 percent—from 63,712 in 1955 to 136,155 in 1995. Not surprisingly, the cost of the tax industry also has increased—by 650 percent, reaching $14 billion in 1995. "Survey Shows Parallel in Growth of Federal Tax 'Industry' and Tax Code," *Tax Features*, September 1994, Tax Foundation.

A Tax by Any Other Name. While Florida's state constitution prohibits the state from levying an income tax, politicians have found their way around this restriction by adopting an "intangibles tax," levied against stocks, bonds, loans, and similar financial assets. The tax adds little to state coffers—just 2 percent of the state's budget—and discourages economic growth. Randall G. Holcombe, "Florida's Intangibles Tax: A Large Burden for a Small Return," *Backgrounder*, August 1994, The James Madison Institute.

Government as Robin Hood? Government programs for income redistribution—transfer payments such as pensions, Social Security, AFDC, and Medicare—rarely "take from the rich and give to the poor." In fact, more than 85 percent of all government transfer payments are not reserved for low-income recipients. The biggest share goes to the elderly, who today have the highest income per person and the highest wealth per person of any age group in the United States. Robert Higgs, "Nineteen Neglected Consequences of Income Redistribution," *The Freeman*, December 1994, Foundation for Economic Education.

New York State's Dubious Distinction. In 1958, taxes per capita in New York State were $1,140 (in 1991 dollars)—37 percent higher than the national average and 34 percent higher than the average of the ten most populous states. By 1991, the state's tax burden had nearly tripled, rising to $3,340 per capita—58 percent higher than the national average and 66 percent higher than the big-state average. Taxes per $1,000 of personal income in New York State were just 9.8 percent higher than the national average in 1958; they were fully 34.5 percent above the national average in 1991. Rob Norton, "Albany's Toxic Taxes," *City Journal*, Autumn 1994, Manhattan Institute.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

trade

U.S. Consumers Have Much to Gain from GATT. Much of the controversy surrounding the recently passed General Agreement on Tariffs and Trade (GATT) presumed that American consumers would benefit little from the agreement. In fact, however, consumers here will benefit substantially from freer trade. *Projection:* GATT will result in a $30 billion tax cut for American consumers, an overall gain to the U.S. economy of $65 billion, and at least 250,000 new American jobs by the year 2000. James Bovard, "Two Cheers for GATT," *Policy Backgrounder*, November 25, 1994, National Center for Policy Analysis.

Strong Federal Government Biggest Threat to U.S. Sovereignty. GATT and NAFTA are less a threat to U.S. sovereignty than is "the concerted effort by special interests and lobbyists to focus all power over the American economic system in the hands of the bureaucrats in Washington who regulate us." The sovereignty of the American people depends on the strength of its most populist and democratic institution, the free market. Joe Cobb, "The Real Threat to U.S. Sovereignty," *The Heritage Lectures #497*, 1994, The Heritage Foundation. ***PolicyFax #1980101***

How NAFTA Will Affect Wisconsin Industries. The North American Free Trade Agreement could create as many as 3,300 new jobs in Wisconsin by the end of the decade, and 7,400 jobs by the year 2000. Of 24 key industries, from industrial machinery and equipment to paper and allied products, only one—electronic components and accessories—is projected to experience job losses. Dr. Richard Cebula, "The Impact of the North American Free Trade Agreement on Wisconsin Industries," *Report*, October 1994, Wisconsin Policy Research Institute. ***PolicyFax #1980301***

welfare

Why Welfare Reform Proposals Often Fail. Long-term welfare reform requires a shift away from income transfer programs to programs that give welfare recipients the incentives to change their poverty-causing behaviors. *Did you know:* Sixty-one percent of persons living below the poverty level are there because of behavioral decisions, not incapacity or lack of opportunity. Lowell Gallaway and Richard Vedder, "Tweaking Welfare as We Know It," *IPI Insights*, August 1994, Institute for Policy Innovation. ***PolicyFax #9272301***

Proposing a Welfare Overhaul. Welfare today focuses too much on cash benefits, which merely "anesthetize the poor against daily suffering." Such benefits do little to build hope for the future. Far better would be an *asset-based system of welfare*, which might include: eliminating the income tax up to 170 percent of the poverty line; privatizing government-owned housing; reforming AFDC laws to "decriminalize" saving by the poor; turn every poor community into an enterprise zone; and giving all parents choice in their children's education—the most important family asset of all. Jack Kemp, "A Cultural Renaissance," *Imprimis*, August 1994, Hillsdale College.

> The U.S. currently spends $350 billion a year on welfare programs. That's $8,939 per person for every individual living below the poverty level, and $35,756 for a family of four—more than the median household income in the U.S. **National Center for Policy Analysis, October 1994.**

Competing for Welfare Dollars. The National Center for Policy Analysis proposes that private charities be allowed to compete for welfare tax dollars on an equal footing with government programs. *How it would work:* Individual taxpayers would be permitted to donate up to 40 percent of their personal income taxes to any qualified charity, public or private. (This amount is approximately equal to each taxpayers' share of federal welfare spending.) For every dollar given to a private charity, government would be required to subtract a dollar from public programs. Such radical reform is desperately needed: Since 1965, ***$5 trillion*** has been spent on the War on Poverty—yet the poverty rate is higher today than it was then. John C. Goodman, Gerald W. Reed, and Peter S. Ferrara, "Why Not Abolish the Welfare State?" October 1994, National Center for Policy Analysis. ***PolicyFax #9200301***

> Of the 1.1 million prisoners serving time in the U.S. in 1990, 82 percent were high school dropouts. **The Center for Education Reform, September 1994.**

The Bell Curve Attracts Mushroom Journalists. One of the country's leading experts on welfare reform, author Charles Murray is finding it difficult these days to attract reasoned media coverage of his work. Murray's latest book, *The Bell Curve*, has seeded a new crop of poorly read, opinionated "mushroom journalists"—who "leave readers in the dark and feed them garbage." Linda Gorman, "Mushroom Journalism: Keeping Readers in the Dark," *Independence Feature Syndicate*, November 23, 1994, Independence Institute.

other topics

The State of Georgia, by the Numbers. Inspired by former Secretary of Education William J. Bennett's "Index of Leading Cultural Indicators," the Georgia Public Policy Foundation has compiled statistics for the Peach State on crime, family, and education. The author warns against expecting government to address the social ills he identifies, many of which are the result of character traits beyond the reach of government. Arvind M.R. Krishnamurthy, "The Index of Georgia's Leading Cultural Indicators," September 1994, Georgia Public Policy Foundation.
PolicyFax #1300302

Draft Registration is Useless, Expensive. President Clinton's "reinventing government" rhetoric would be a lot more convincing if he were willing to end draft registration—which would save American taxpayers $25 million a year and, perhaps as importantly, set a useful precedent for terminating other archaic and unnecessary government programs. Doug Bandow, "Draft Registration: The Politics of Institutional Immortality, *Policy Analysis*, August 15, 1994, Cato Institute.

The Case against Gambling. There was a time when gambling was opposed on moral grounds, and governments prohibited it as a way to protect individuals from themselves. Today, however, governments *promote* gambling . . . and the arguments against it are increasingly economic and social. Many Americans today fear that gambling is neither an economic cure-all nor a harmless form of entertainment. Erika S. Sisam, "Bad Odds for Legalized Gambling," *Insight*, 1994, Family Research Council.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Contacts

Alabama Family Alliance, PO Box 59692, Birmingham, AL 35259, 205/870-9900

American Institute for Economic Research, Great Barrington, MA 01230

American Legislative Exchange Council, 910 17th Street NW, 5th Floor, Washington, DC 20002, 202/466-3800, fax 202/466-3801

American Studies Institute, Harding University, Station A, Box 899, Searcy, AR 72143, 800/477-4407, fax 501/279-4600

Andrew Jackson Institute, 2704 12th Avenue South, Nashville, TN 37204, 615/383-8284

Arizona Institute, 2700 South Woodlands Boulevard #300-329, Flagstaff, AZ 86001, 602/526-2597

Atlantic Legal Foundation, 205 East 42nd Street, 9th Floor, New York, NY 10017, 212/573-1960

The Atlas Economic Research Foundation, 4084 University Drive #103, Fairfax, VA 22030-6812, 703/934-6969, fax 703/352-7530

The Barry Goldwater Institute for Public Policy Research, 201 North Central, Phoenix, AZ 85004, 602/256-7018

The Blum Center for Parental Freedom in Education, Marquette University, Milwaukee, WI 53233, 414/288-7040, fax 414/288-3170

The Buckeye Center for Public Policy Solutions, 131 North Ludlow Street #308, Dayton, OH 45402, 513/224-8352, fax 513/224-8457

California Public Policy Foundation, 14263 Moorpark #4, Sherman Oaks, CA 91423, 818/841-5210

Capital Research Center, 727 15th Street NW, 8th Floor, Washington, DC 20005-1599, 202/393-2600, fax 202/393-2626

Capitol Resource Institute, 1211 H Street #A, Sacramento, CA 95814-1912, 916/731-5200

Cascade Policy Institute, 813 SW Alder Street #707, Portland, OR 97205, 503/242-0900, fax 503/242-3822

Cato Institute, 1000 Massachusetts Avenue NW, Washington, DC 20001, 202/842-0200, fax 202/842-3490

The Center for Education Reform, 1001 Connecticut Avenue NW #920, Washington, DC 20036, 202/822-9000, fax 202/822-5077

Center for Independent Thought, 942 Howard Street, San Francisco, CA 94103, 415/541-9780

The Center for Individual Rights, 2300 North Street NW, 6th Floor, Washington, DC 20037, 202/663-9041 or -9042

Center for the New West, 600 World Trade Center, 1625 Broadway, Denver, CO 80202, 303/572-5400

Center for the Study of American Business, Washington University, Box 1208, St. Louis, MO 63130, 314/935-5630

Center for the Study of Market Alternatives, 2285 University Drive, Boise, ID 83706, 208/368-7811

Center of the American Experiment, 45 South 7th Street, Minneapolis, MN 55402, 612/338-3605, fax 612/338-3621

Center for the School Community, PO Box 234, Lincoln, IL 62656, 217/732-1619, fax 217/732-6306

Citizens Against Government Waste, 1301 Connecticut Avenue NW #400, Washington, DC 20036, 202/467-5300

Citizens for a Sound Economy, 1250 H Street NW #700, Washington, DC 20005-3908, 202/783-3870, fax 202/783-4687

Citizens for Educational Choice, PO Box 405, Needham Heights, MA 02194, 617/444-7545

Citizens for Educational Freedom, 927 South Walter Reed Drive #1, Arlington, VA 22204, 703/486-8311

Citizens for the Environment, 1250 H Street NW #700, Washington, DC 20005-3908, 202/783-3870

Citizens League, 708 South 3rd Street #500, Minneapolis, MN 55415, 612/338-0791

The Claremont Institute, 250 West First Street #330, Claremont, CA 91711, 909/621-6825, fax 909/626-8724

The Commonwealth Foundation for Public Policy Alternatives, 600 North 2nd Street #300, Harrisburg, PA 17101, 717/231-4850

Competitive Enterprise Institute, 1001 Connecticut Avenue NW #1250, Washington, DC 20036, 202/331-1010, fax 202/331-0640

Congressional Institute, Inc., 316 Pennsylvania Avenue SE #403, Washington, DC 20003-1147, 202/547-4600

Connecticut Policy and Economic Council, Inc., 21 Lewis Street, Hartford, CT 06103, 203/527-8177, fax 203/246-9790

Consumer Alert, 2700 South Quincy Street #210, Arlington, VA 22206, 703/845-8802, fax 703/845-8920

Consumer Alert, PO Box 3348, Modesto, CA 95353, 209/524-1738

Consumers Research, Inc., 800 Maryland Avenue NE, Washington, DC 20002, 202/546-1713

Constitutional Heritage Institute, 608 North 108th Court, Omaha, NE 68154, 402/493-9155, fax 402/493-7084

Council for Affordable Health Insurance, 112 South West Street, 4th Floor, Alexandria, VA 22314, 703/836-6200, fax 703/836-6550

Defenders of Property Rights, 6235 33rd Street NW, Washington, DC 20015, 202/686-4197, fax 202/686-0240

The Dumont Institute, 236 Johnson Avenue, Dumont, NJ 07628, 201/387-1456

The Educational Excellence Network, 1112 16th NW #500, Washington, DC 20036, 202/785-2985

Educational Freedom Foundation, 110 East Rose, St. Louis, MO 63119

The Empire Foundation for Policy Research, 130 Washington Avenue #1000, Albany, NY 12210, 518/432-4444

Environmental Education Enterprises, 2764 Sawbury Boulevard, Columbus, OH 43235, 614/792-0005, fax 614/792-0006

Ethan Allen Institute, RFD 1, Concord, VT 05824, 802/695-2555

Evergreen Freedom Foundation, PO Box 552, Olympia, WA 98507, 206/956-3482, fax 206/352-1874

Family Research Council, 700 13th Street NW #500, Washington, DC 20005, 202/393-2100

The Foundation for Economic Education, Irvington-on-Hudson, NY 10533, 914/591-7230

Foundation for Research on Economics and the Environment, 502 South 19th Street #1, Bozeman, MT 59715, 406/585-1776

The Fraser Institute, 626 Bute Street, 2nd Floor, Vancouver, BC, V6E 3M1, 604/688-0221 fax 604/688-8539

The Free Congress Research and Education Foundation, 717 Second Street NE, Washington, DC 20002, 202/546-3000

Free Market Foundation, PO Box 741777, Dallas, TX 75374-1777, 214/348-2801

Georgia Public Policy Foundation, 2900 Chablee-Tucker Road, Building 6, Atlanta, GA 30341, 404/455-7600

Golden State Center for Policy Studies, 2012 H Street #101, Sacramento, CA 95814, 916/446-7924, fax 916/446-7990

Gun Owners of America, 8001 Forbes Place, Springfield, VA 22151, 703/321-8585

The Heartland Institute, 800 East Northwest Highway #1080, Palatine, IL 60067, 708/202-3060, fax 708/202-9799

The Heritage Foundation, 214 Massachusetts Avenue NE, Washington, DC 20002, 202/546-4400, fax 202/544-2260

Hillsdale College, Hillsdale, MI 49242, 517/437-7341, fax 517/437-0160

Hoover Institution, Stanford University, Stanford, CA 94305-6010, 415/723-3373

Hudson Institute, Herman Kahn Center, PO Box 26-919, Indianapolis, IN 46226, 317/545-1000

Independence Institute, 14142 Denver West Parkway #101, Golden, CO 80401, 303/279-6536

Independent Institute, 134 98th Avenue, Oakland, CA 94603, 510/632-1366

Indiana Policy Review Foundation, 320 North Meridian #615, Indianapolis, IN 46204, 317/236-7360, fax 317/236-7370

Institute for American Values, 1841 Broadway #211, New York, NY 10023

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Institute for Contemporary Studies, 234 Kearny Street, San Francisco, CA 94108, 415/981-5353

Institute for Humane Studies, George Mason University, 4400 University Drive, Fairfax, VA 22030, 703/934-6920

Institute for Justice, 1001 Pennsylvania Avenue NW #200 South, Washington, DC 20004-2505, 202/457-4240

Institute for Policy Innovation, 250 Stemmons #306, Lewisville, TX 75067, 214/219-0811

The Institute on Religion and Public Life, 156 Fifth Avenue #400, New York, NY 10010, 212/627-1985

The James Madison Institute for Public Policy Studies, PO Box 13894, Tallahassee, FL 32317-3894, 904/386-3131

The John Locke Foundation, 6512 Six Forks Road #203B, Raleigh, NC 27615-6525

Laissez Faire Institute, 828 North Poplar Court, Chandler, AZ 85226, 602/940-9824

Landmark Legal Foundation, 1006 Grand Avenue, 15th Floor, Kansas City, MO 64106, 816/474-6600

Law and Economics Center, University of Miami, PO Box 248000, Coral Gables, FL 33124, 305/284-6174

Lincoln Legal Foundation, 100 West Monroe #1600, Chicago, IL 60603, 312/606-0951

Louisiana Citizens for a Sound Economy, PO Box 80362, Baton Rouge, LA 70898, 504/387-2242, fax 504/387-2244

Mackinac Center for Public Policy, 119 Ashman Street, PO Box 568, Midland, MI 48640, 517/631-0900, fax 517/631-0964

Manhattan Institute, 52 Vanderbilt Avenue, New York, NY 10017, 212/599-7000

Media Research Center, 113 South West Street, 2nd Floor, Alexandria, VA 22314, 703/683-9733, fax 703/683-9736

The Mid-America Legal Foundation, 20 North Wacker Drive #2263, Chicago, IL 60606, 312/263-5163

Mountain States Legal Foundation, 1660 Lincoln Street #2300, Denver, CO 80264, 303/861-0244

National Center for Policy Analysis, 12655 North Central Expressway #720, Dallas, TX 75243, 214/386-6272

National Center for Public Policy Research, 300 Eye Street NE #3, Washington, DC 20002, 202/543-1286

National Chamber Foundation, 1615 H Street NW, Washington, DC 20062, 202/463-5552

National Inholders Association, PO Box 400, 30218 NE 82nd Avenue, Battle Ground, WA 98604, 206/687-3087

National Rifle Association of America, 1600 Rhode Island Avenue NW, Washington, DC 20036, 202/828-6377

National Taxpayers Union, 325 Pennsylvania Avenue SE, Washington, DC 20003, 202/543-1300

Nevada Policy Research Institute, PO Box 20312, Reno, NV 89515-0312, 702/786-9600

The New England Center for Political Studies and Research, 47 Tumbleweed Road, Springfield, MA 01109-1535

New England Legal Foundation, 55 Union Street, Boston, MA 02108, 617/367-0174

New Jersey Citizens for a Sound Economy, 204 West State Street, Trenton, NJ 08608, 609/392-6445, fax 609-392-6425

New Mexico Foundation for Economic Research, PO Box 1216, Albuquerque, NM 87103, 505/243-5400, fax 505/243-1700

New York Citizens for a Sound Economy, PO Box 596, Manorville, NY 11949, 516/874-8353, fax 516/874-8354

Oklahoma Citizens for a Sound Economy, PO Box 2181, Edmond, OK 73083-2181, 405/330-2373, fax 405/330-2373

Pacific Legal Foundation, 2151 River Plaza Drive #305, Sacramento, CA 95833-3881, 916/641-8888

Pacific Research Institute, 755 Sansome Street #450, San Francisco, CA 94111, 415/989-0833, fax 415/989-2411

Parents Rights, 12571 Northwinds Drive, St. Louis, MO 63146, 314/434-4171

Pattern Research, PO Box 9845, Denver, CO 80209, 303/778-0880

Pennsylvania Family Institute, 600 North 2nd Street #305, Harrisburg, PA 17101

Pennsylvania Leadership Council, 223 State Street, Harrisburg, PA 17101, 717/232-5919, fax 717/232-1186

The Philanthropic Roundtable, 320 North Meridian Street, Indianapolis, IN 46204-1725, 317/639-6546

Pioneer Institute, 85 Devonshire Street, Boston, MA 02109, 617/723-2277, fax 617/723-1880

Political Economy Research Center, 502 South 19th Street #211, Bozeman, MT 59715, 406/587-9591

The Pragmatist, PO Box 392, Forest Grove, PA 18922

Privatization Research Organization, School of Public Affairs, Baruch College/City University of New York, 17 Lexington Avenue, New York, NY 10010, 212/802-5909, fax 212/802-5903

Public Affairs Research Institute of New Jersey, 212 Carnegie Center #100, Princeton, NJ 08540-6212, 609/452-0220

Public Interest Institute, Iowa Wesleyan College, Mt. Pleasant, IA 52641, 319/385-3462

Public Service Research Foundation, 1761 Business Center Drive #230, Reston, VA 22090, 703/438-3966

Reason Foundation, 3415 South Sepulveda Boulevard #400, Los Angeles, CA 90034, 310/391-2245, fax 310/391-4395

Resource Institute of Oklahoma, 28 Northwest 7th Street, Oklahoma City, OK 73102, 405/239-6700

Rockford Institute, 934 Main Street, Rockford, IL 61103, 815/964-5053

Rose Institute for State and Local Government, Claremont McKenna College, Claremont, CA 91711, 714/621-8201

Sequoia Institute, 3479 Beaver Ford Court, Woodbridge, VA 22192, 703/590-0496

South Carolina Policy Council, 1419 Pendleton Street, Columbia, SC 29201, 803/779-5022

Southwest Policy Institute, 2403 NW 39th Street #200, Oklahoma City, OK 73112-8769, 405/521-9439

The St. Lawrence Institute, PO Box 307, N.D.G. Station, Montreal, Quebec, H4A 3P6, 514/489-0312

Tax Foundation, 1250 H Street NW #750, Washington, DC 20005-3908, 202/783-2760

Texans for an Informed Public, 1716 Magnum Street #308, Houston, TX 77092, 713/686-0400

Texas Citizens for a Sound Economy, PO Box 2165, Austin, TX 78768-2165, 512/476-5905, fax 512/476-5906

Texas Public Policy Foundation, PO Box 17447, San Antonio, TX 78217-0447, 210/614-0080

Utah State University, Institute of Political Economy, Political Science Department, Logan, UT 84322-0725, 801/750-2064

Utah Taxpayers Association, 1578 West 1700 Street #105, Salt Lake City, UT 84104

Virginia Citizens for a Sound Economy, PO Box 7551, Charlottesville, VA 22906, 703/863-8612, fax 703/863-8614

Washington Institute for Policy Studies, 999 3rd Avenue #1060, Seattle, WA 98104, 206/467-9561, fax 206/467-0910

Washington Research Council, 1301 5th Avenue #2810, Seattle, Washington 98101-2603, 206/467-7088, fax 206/467-6957

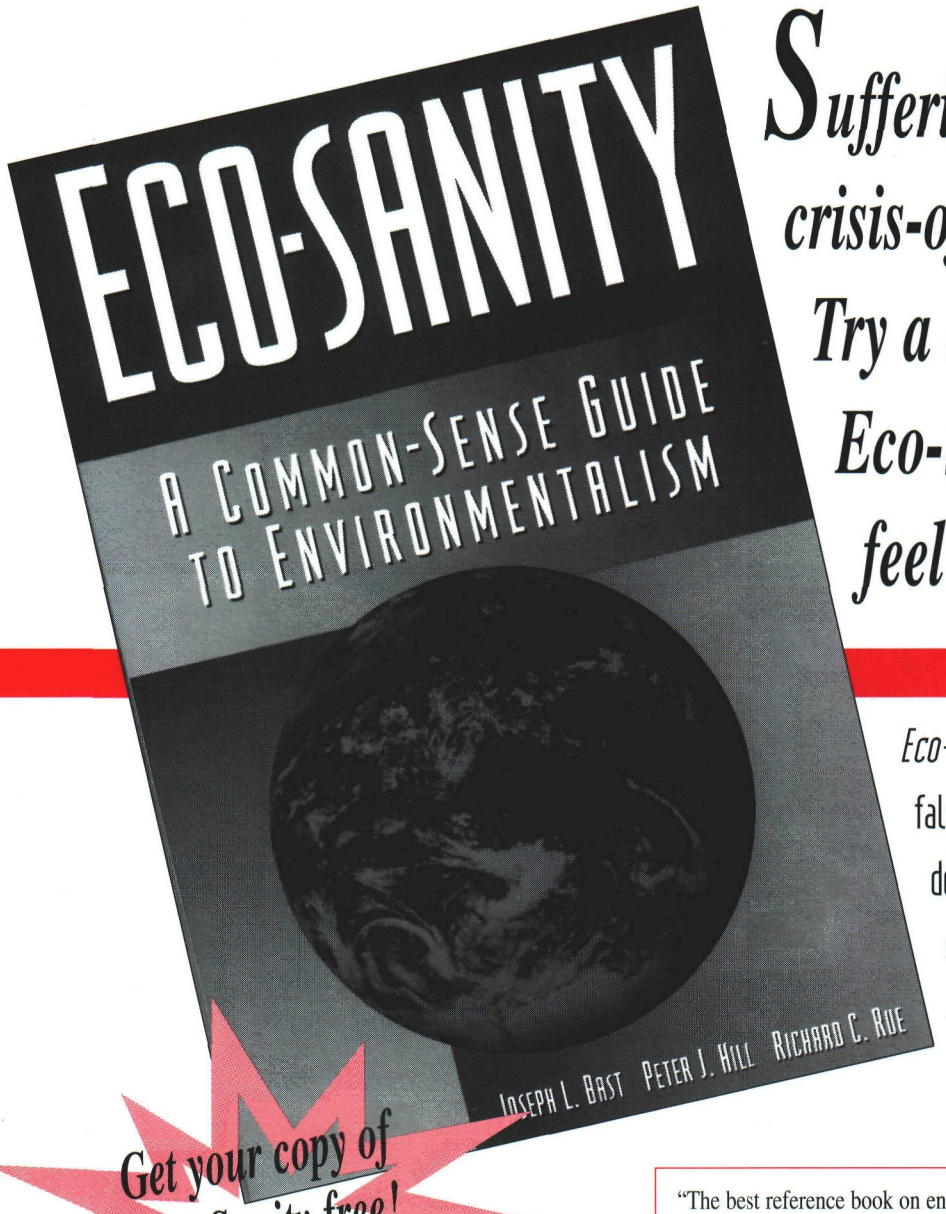
Washington Legal Foundation, 1705 N Street NW, Washington, DC 20036, 202/857-0240

Wisconsin Policy Research Institute, 3107 North Shepard Avenue, Milwaukee, WI 53211, 414/963-0600

Wyoming Heritage Society, 139 West 2nd Street #2B, Casper, WY 82601, 307/265-5462

Yankee Institute, 117 New London Turnpike, Glastonbury, CT 06033, 203/633-8188

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



Suffering from a crisis-of-the-month? Try a dose of Eco-Sanity and feel better fast!

Eco-Sanity cuts through rhetoric, false alarms, and media hype to deliver concise and authoritative summaries of what we know about today's most important environmental issues.

Get your copy of Eco-Sanity free! See page 2 for details.

"The best reference book on environmental issues available anywhere."
– *EPA Watch*

"A sobering 'must-read' for anyone concerned with identifying real environmental problems and finding efficient and effective solutions to them."
– Leslie Spencer, *Forbes*

"*Eco-Sanity* is a much-needed overview for the environmental layman."
– Jonathan H. Adler, *Washington Times*

June 1994 • 320 pages • Paperback, $12.95 prepaid • The Heartland Institute • 708/202-3060
Cloth, $22.95 prepaid • National Book Network • 800/462-6420

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED